

ANGUISHED VOICES: BATTERED WOMEN SPEAK UP

CANADA'S WEEKLY NEWSMAGAZINE

DECEMBER 13, 1993 \$2.95

# Maclean's

## The Bean Counter

**Finance  
Minister  
Paul Martin  
And The  
Tough Choices  
Ahead**



# Be there again.



Why just watch, when you can experience? That's the thinking that goes into our large screen TVs, stereo HiFi VCRs, laser disk players and high performance bookshelf audio systems.

It's the kind of thinking that can turn your home into a movie theatre, a sports arena or a concert hall.

When you want to make it an event, make it a Samsung.



**SAMSUNG**

## Maclean's

### CONTENTS

2 EDITORIAL

4 LETTERS

6 OPENING NOTES/PASSAGES

9 COLUMN: BARBARA AMIEL

10 CANADA

Daniel Johnson is poised to become Quebec's new premier; the Liberal government gives the go-ahead to NAFTA, heated details of Carla Bontade's cross-border trial float across the border into Canada

20 COVER

32 WORLD

Arts-Jewish violence threatens the landmark peace accord, a new U.S. handicapped law may help Quebec, America's money capital in a safer place, Colombian police kill national drug lord Pablo Escobar

38 BUSINESS

Dispute kills the controversial Pearson airport deal, Frank Stronach celebrates his comeback, the Claxton buy a Nova Scotia steel mill

46 THE NATION'S BUSINESS: PETER C. HEDMAN

48 TELEVISION

Canadian director John N. Smith gets a national TV audience for *The Day of St. Vincent*, completes the chic war epic *Dieppe* and prepares to make a Hollywood movie with Michelle Pfeiffer

52 SCIENCE

A royal commission proposes sweeping changes in the use of medical and medical care in a woman to have babies, a spaceable mission aims to repair the Hubble Telescope—and now's the time

54 LIFESTYLES

61 BOOKS

*Money and Ancestry*, a new book of travel stories, takes author Ronald Wright from Pearson's bright lights to the Australian Outback

63 PEOPLE

64 POTHERINGHAM

## The bean counter

20 With the federal budget deficit much higher than predicted at up to \$60 billion, Finance Minister Paul Martin faces tough choices—and painful cuts—in the days ahead. Not least among them is whether he should reappoint initiative-fighting Bank of Canada governor John Crow—once openly criticized by the Liberals—to a second seven-year term.



## The stories behind the scars

56 Black eyes. Broken bones. Battered psyches. The effects of violence against women are real and horrendous and can no longer be dismissed. In their own words, abused women tell stories of desperation, despair—and hope.



## A family affair

10 Daniel Johnson is poised to follow his father and brother to the top of political life in Quebec when he succeeds Robert Bourassa as premier and leader of the province's Liberals. But taking over from Bourassa will be the easy part. Johnson faces a uphill fight for re-election next year against the Parti Quebecois.



Maclean's magazine reserves the right to change all content without notice. For more information, please contact: The Editor, Maclean's, 100 King Street West, Toronto, Ont. M5X 1C4. Tel: (416) 593-1234.



# LETTERS

## Praising Caesar

Here we go again! It is "Trademansin time—part two" with journalists across the country (your magazine included) singing the praises of our former prime minister ("Trademansin Trademansin," *Cover*, Nov. 22). Unfortunately, his alleged qualities did not benefit Canadians (or it was Trudeau who became the chief architect of the crisis that our country is in today. His ill-fated policies were costly, unrealistic, and led to the Quebec problem. His free-spending policies created (with help from Brian Mulroney at later years) a monster of national debt that today threatens the financial survival of Canada and will continue to do so for years to come.

Edward Martin,  
Windsor

Trudeau was admired for his stand against terrorists, and for his contempt for pushy media. Nobody was going to push him around—he was the one who was going to do all the pushing. He pushed and he shoved and he beat us over the head until, at last, we felt exhausted for our provincial leaders did and gave him his charter (not English freedom). Since then, it has been nothing but a downhill slide all the way. Our courts, our ethics, our family life, our immigration, our personal safety, our finances, our military strength, our self-confidence, our hopes and dreams, our very future—all have been sacrificed on the altar of "rights and freedoms." It is those people who can put the gears back in the house!

A. Gifford LeBlond,  
Langford, B.C.

## Have or have not

It is "Time to survive in an unequal nation," (*Column*, Nov. 22). Diane Francis affirms that "Quebec again was the interlopers when it came to transfers to businesses. Ontario got \$2.5 billion in business help, but Quebec with a considerably smaller population got a whopping \$1.5 billion. Alberta, \$2.2 billion..." As usual, she ignores providing anti-Quebec newswatch, but it is important to look at the facts more closely. On a per capita basis, the financial assistance goes like this: Ontario (1986), Québec (1986), Alberta (1979) and Saskatchewan (\$1.415). (Diane Francis seems odd, but is she not?)

Joan Gredenderson,  
Charlottesville, Que.



Trudeau (left) with sons Justin, Michel and Sasha: "praising the goose back"

It may interest Diane Francis to know that the Maritimes were very generous prior to Confederation. Goods were shipped from the region via railroads, through tariffs and duties of supposed national interest, to rear down its natural links with New England and trade with good old Upper Canada. Maritimers got to buy poorer-quality goods at higher prices, but Upper Canadians learnt to buy any of our products in return. Maybe Francis and her Bay Street friends should count their blessings instead of ranting about transfer payments. I'm sure that if you balanced profits made from the customs market against the transfer payments paid, you would find that Ontario has done very well indeed from its association with the Maritimes. There's more to Canada than Bay Street.

Tom White  
Mukilo

## Equal abuse

I think the "gate" was making a mistake by making the definition of family violence so loose ("A new measure of violence," *Column*, Nov. 22). Recently, I internally pulled 50 main acquaintances. All but a handful had been pushed, shoved, grabbed, threatened, slapped, thrown at, kicked, but hit with something and/or beaten up at some time by their female partners. I would suggest that if someone would do a serious study of female-initiated family violence, using these standards, females collectively would come tumbling down from their self-centred pedestal with a resounding thump.

Charles Remington,  
Smithers, B.C.

## Quebec, U.S.A.

Your interview with Bill Quebecor's tender Lucien Beauchard tells me some thing ("Sovereignists pay taxes, too," *Canada*, Nov. 26). His frequent auditory concerns about the United States such as "What I love about Americans is their sense of liberty. In my wife's wedding her children to be Americans, and the fact that his former friend Brian Mulroney defied on Washington's last two Republican presidents' suggestions that Beauchard should pull up stakes and head for the border.

Bob Sturgeon,  
Barrie, Ont.

What does Quebec want? Quebec's striking political superstar and activist Lucien Beauchard explained it—no American wage and American prospects for the kids.

James J. Atkinson,  
Durant, Que.

## Hard sell

In embracing NAFTA, our federal government seems to be accepting the notion that if everybody in a global economy could work for everybody else, we would all be better off ("Brace up, Canada," *Column*, Nov. 26). Perhaps the government has so much trouble selling the idea of free trade at home because the folks still subscribe to the old adage that is so preposterous you have to work for yourself.

J. Z. Sisko,  
Vancouver

Letter editor is pleased. Please reply with address and daytime telephone. Write letters to the Editor. Send all magazine correspondence to: 111 Bay St., Toronto, Ont. M5H 2H7 or 363, 1410 St. Paul.

"There's nothing dull about energy efficient lighting."

BE A POWER SAVER!

As a designer, I use halogen lights for their unique ability to bring out subtle textures and establish the warmth of brilliant colours. I also use them to highlight a room's decorative features — and use dimmer controls to achieve subtle moods and special effects for entertaining. And

just as importantly,

halogens save lots of valuable energy by

using 40% less electricity — an important bonus

for all my clients. Whatever

decor you may have

in mind, be sure to

use one of the family

of power saving

lights. And, for more information on energy saving

lighting call 1-800-263-9000

**Ontario Hydro**

Let's give tomorrow a hand.

Diane Bodd,  
Ottawa

For more information on energy saving lighting, call 1-800-263-9000.

Introducing a new approach to  
business communications:  
Listening.

*When we asked you what you  
wanted from a business telecommuni-  
cations company you told us*

*In no uncertain terms*

*We not only listened to your  
demands, we acted on them*

*The result is a new commitment  
to business communications. With a  
new standard of products and ser-  
vice based on your needs and wants*

*It all comes under the name  
Advantage.™ And we think that's  
what it will give you. Because if  
your communications are taken care  
of, you can concentrate on other  
aspects of your business.*

*Whether your needs are regional  
or national, Advantage offers you  
superior products and service; in  
fact, we believe you'll find it better  
than anything you've had before*

*It doesn't end there. We are  
constantly working on ways to  
evolve and improve. And the better  
we understand your requirements,  
the better we can satisfy them*

*Which explains why, with all  
our sophisticated technology, our  
most valuable piece of equipment is  
a good set of ears.*

**Bell**  
**ADVANTAGE**  
*We hear you.*







## OPENING NOTES

## Young Wolves

When said informant was dead? When Naomi Wolf, author of *The Beauty Myth*, was in Toronto to promote her new book, *Fire with Fire*, she encountered racks of young female fans. During CTV's *The Don Pelly Show* on Nov. 26, about 30 teenage girls from Walkers Collegiate Institute—many of them members of a weekly discussion group on feminist issues—turned up to cheer their heroine. Two of the girls, Elizabeth Jackson, 17, and Tina Baker, 17, also sent copies of their independently produced newsletter, *Twisty News*.



Swine to Wolf backstage. "We were inspired by her," said Bailey. Meanwhile, Sheila Hiett, a Grade 12 student at North Toronto Collegiate Institute, is carrying out a one-woman campaign to publicize Wolf's ideas. Carrying a commentary with text and images from magazines, Hiett, 16, creates collages—debuted "Iron Maidens"—that address what she says are divisions in portraits of women. The *Alamy* fifth said Hiett, "made us define myself as a feminist." For more than a year, she has been posting her collages, untagged, in the halls and the girls' washrooms at her

It is two weeks after the assassination of John F. Kennedy in Dallas. As the nation reels, President Lyndon B. Johnson arches a thin-edged frown, what will come to be known as the Warren Commission, to investigate Kennedy's death. Last week, on the Johnson Library in Austin, Tex., released tape recordings of Johnson's telephone conversations during that fateful week. An excerpt from Nov. 29, 1962, reveals a determined Johnson determined Johnson would do whatever it took to protect Richard Russell of Georgia, a longtime friend and mentor, to serve on the Warren panel—after he already had announced the administration's position.



**RUSSELL:** I don't think he did directly.  
[END OF INTERVIEW]

**RUSSELL:** I know Khrushchev didn't go through all our documents.

**OR WORD**  
erate

OK. That's what we want to know. People have got one in you, and you'll be surprised or amazed!

**BUSSELL:** Fine at your command and I charge you—

**LAJ:** Well, you've learned some going on a course and

**QUESTION:** Where the country is involved

**ALAN:** You're going to be as my cousin  
long as I live here.

you're going to do it, and don't tell me what you can do and what you can't, because I can't arrest you, and I'm not going to put the FBI on you, but you're God damn sure going to serve. I'll tell you that. And the secretary of state came over here this afternoon. He's deeply concerned. Dick, about the idea that there's a peasant throughout the communist world that [Soviet leader Nikita] Khrushchev killed Kennedy. Now, he didn't. He didn't have a damn thing to do with it.



Chockanathan (right) and driver: many senators have expensive automobiles

## THE LOBBY CRIES FOUL

**J**ust Chamber's Liberals are at least paying lip service to the notion of reducing lobbyists' influence. One indication of the new shift the Prime Minister's Office no longer releases lists

at ministers in cabinet committees—making it harder for lobbyists to target appropriate ministers. Faced with shrinking access, lobbyists are starting a new six-month campaign against perhaps the only people in Ottawa as unpopular as they are: senators. The lobbyists, who are regulated under the Lobbyist Registration Act, note that Liberal senators enjoy direct access to the governing caucus and point out that while senators are not allowed to benefit from public contracts under conflict-of-interest legislation, they may hold corporate directorships. Some Liberal senators and their affiliates.

• **Mikhail Milky**, sits on the boards of directors of Crown, a health-care company and majority shareholder in Crown Life Insurance Co., tobacco giant R.J. MacDonald Inc., Qsair Corp. and Westbury Canadian Life Insurance. He is a director

and vice-president of the Goldfarb Corp., which includes Goldfarb Corp./Asst. market research, a design studio, a decorator and a member of

Wilmington, Del.-based chemical giant E. I. du Pont de Nemours and Co., 24.5 per cent owned by Bunge, the Toronto Dominion Bank, and Greifex Olefin Corp.

And although they do not have direct access to the Liberal caucus, some members of the Senate's Tory majority also bring impressive affiliations to the upper chamber.

• **Maric Institute**, Columbia of Simard Beauty Inc., a construction, paving and engineering company. He sits on the boards of directors of lumber company Las Brea Dagle Ltd., Wincon International Inc., a real estate firm, Peared Inc., a financial holding company.

and Episcopi on Gray Metropolitan Inc. + Guy Charbonneau, Chairman of Prosta-Monizette Ltd. and vice-chairman of Marsh & McLennan Ltd., both of which are insurance companies. He sits on the boards of directors of

• **Michael Meughen:** Chairman of Canadian Capital Investments Ltd. He is also the president

1950: Peace activist and controversial missionary Sir James Endicott, 94, of heart and lung failure, at Toronto hospital. His anti-Communist pro-Chinese Canadian views brought him into conflict with the federal government. Ottawa considered charging him with treason during the Korean War after he scolded US troops, including Canadian troops, at visiting press conferences. Earlier, he battled with the United Church of Canada, which demanded he rescind his support for Mao Tse-tung. He refused and, as a result, was ousted from the church in 1948, after serving as China for the previous 10 years. Almost 10 years later, in 1957, the United Church apologized to Endicott, but he never regained the majority

**KNOX-HEB:** George Bush, 69, by Queen Elizabeth II, during a ceremony at Buckingham Palace. The Queen named Bush a Knight Grand Cross of the Order of the Bath, the rarely awarded top order of knighthoods. Bush and Ronald Reagan are the only Americans to receive the honor since the Second World War.

**DEED:** Abstract painter Marjane Scott, 87, also known, along with her husband, poet F. R. Scott, who died in 1985, for her support of left-wing causes in her Montreal home.

**WOMEN:** The first event of the women's World Cup opened all ski season, by **Rose Pace** of North Bay, Ont. Stealing down the 1.976-m course in Tignes, France, in one minute 36.56 seconds, Pace edged Germany's Katja Weninger, the reigning World Cup champion.

**1980:** Longtime Tory MP and former Edmonton Eskimos lineman Steve Paproski, 62, of a heart attack at his cottage in Smiths Falls, Ont. Paproski represented Edmonton North (formerly Edmonton Centre) from 1968 until his retirement before the last election.

**440:** Television pioneer Garry Moore, 38, whose variety show in the 1950s and 1960s introduced such future stars as Carol Burnett, Don Knotts and Jonathan Winters, of *en* phrasma, in his Billion Head Island, S.C., home. Moore was the host of the popular quiz shows *The G-3*, *Secret* and *Tell the Truth*.

**APPOINTED:** Mike Halpern, 43, is the boss of Montreal-based Antral Communications, which owns the First Choice TV movie channel and has a controlling interest in its French-language counterpart, Pictura Choice.

## REST-SELLERS

## DISCUSSION

1. *The Sherry Center, Carl Smith* (12)
2. *The Sutter Birds, Margaret Almond* (2)
3. *Paddy Clarke's Life in His, Andy Doyle* (12)
4. *The Bridges of Madison County, Robert Waller* (14)
5. *The Golden Heart, Neil Patrick* (12)
6. *Star Trek: The Motion Picture* (12)
7. *Glue Walls in Cedar Bend, Robert Waller* (12)
8. *Across the Bridge, Rita Coates* (12)
9. *World Peace, Neil Patrick* (12)
10. *Decade, Neil Patrick* (12)

### References

- Monsters, Peter Elliott Books (2)**  
**Stranger Music, Leonard Cohen (2)**  
**The Greeting Street Names, Margaret Thatcher (2)**  
**Fire with Fire, Anne Rice (2)**  
**The Hidden Life of Bees, Elizabeth Thomas (4)**  
**A Life in Progress, Carol Ann Duffy (2)**  
**EastLandscape, Jony Dreyfus (2)**  
**Penetration, Peter McEwan (2)**  
**Street and Belonging, Michael Specter**  
**Johnny's Day, Andrew Wilson (2)**

## POP MOVIES

Top movies in Canada, ranked according to box-office receipts during the seven days that ended on Nov. 16. (In brackets, number of screens; weeks showing)

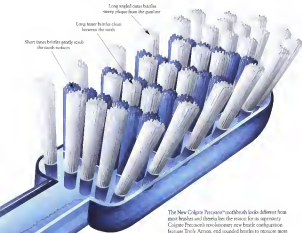
4. <i>Mr. Doubtfire</i> (1997) .....	\$1,079,000	5. <i>The Piano</i> (1993) .....	\$700,000
3. <i>The Three Musketeers</i> (1993) .....	\$699,000	7. <i>The Remains of the Day</i> (1994) .....	\$646,700
5. <i>Addams Family Values</i> (1997) .....	\$648,000	8. <i>We're Back! A Dinosaur's Story</i> (1991) .....	\$624,000
4. <i>A Perfect World</i> (1993) .....	\$594,500	9. <i>Good Will Hunting</i> (1997) .....	\$552,500
6. <i>Boys Life</i> (1997) .....	\$503,900	10. <i>The Wonder Years: Behind the Curtain</i> (1997) .....	\$499,000



# PRECISION™

Proven Better than Oral-B and Reach.

Removes up to twice as much plaque\* as the leading toothbrushes.



The New Colgate Totalcare™ toothbrush looks different from most brushes and there's the reason: for its superior Colgate Totalcare revolutionary new bristle configuration. Because Triple Action, and rounded bristles to promote more effective cleaning. And clinical studies prove that the Colgate Totalcare toothbrush removes up to twice as much plaque\* as Dual® and Reach. So choose the brush that really cleans on Colgate Totalcare.



The best plaque fighting toothbrush you can buy.

COLUMN



## Pay equity, tax hikes and government waste

MY BAMBANGA AMIET

There may still be a few people living on Mars who think that pay equity is about men and women getting the same pay for the same job. In your firm, is it so straightforward?

A friend of mine currently works at an Ontario consulting engineering firm. The company employs draftsmen to prepare maps and drawings for public presentations. When I lived in Canada a dozen or so years ago, most of the draftsmen were male. These days, there are about as many women as men in the job.

When I'd lived with a lesbian couple, he said, he always generally took it into a man that works for them. Hence pay equity. This, as my friend explained in how it works. You are a man busting away on a *draughtman* and dreaming of a female's salary. You join forces with the female draughtsman in the cubicle next to you, who is in dreaming of a three-bed room apartment. Nothing simpler. Go to the local pay equity office and tell them that draughtman you are a "female" path of discrimination. Now you are on the path to having your salary raised to the level of a female, which will mean it becomes "difficult" for "management," which is kookypeak for a pay rise. The next step is to find a "male" job at your office that can be compared with yours.

Now, his is the nice bit, the male job doesn't have to be done by males alone, any more than the female job has to be done by females. The sole criterion for the so-called "male job" you select will be that it pays more than yours. This is rather thrilling, isn't it? The way you get around the fact that a so-called female job is now actually being done by men and women alike is that you look at the job in terms of "gender stereotyping." Whose gender stereotyping? Well, guess I don't know. Perhaps the lower-paid people don't.

As it happens, the Oriskanyde I mentioned earlier managed to get themselves compared with the "real" job at junior row-

salient—which is another job done in their offices by men and women alike—but never mind, you get the idea, and surprise, surprise: the distinctions vanished for a pay increase so substantial that it made them higher earners than some of the other people to whom they worked.

What will this mean? If implemented such settlements may force a business to go bankrupt. The only way to stop the madness would be to close the company down and start over as independent units of under 10 employees, which are exempt from the rules.

The Canadian economy staggers from tax increases to tax increases to pay for the consequences of these policies. Equally important, the Canadian taxpayer must foot the bill for all of the civil services which administer such bureaucracies as pay equity. Ordinary people must to the tax burden this puts on them by digging deep into the black economy. Here in England, where our tax rates top 60 at 40 per cent, all sorts of wheezes have been devised to get around unwelcome tax rates such as giving bonuses each year in gold bars, cattle bones or pork bellies, which were easier for all tax rates.

High taxes turn citizens into tax masters, but more than this drives truth. High taxes are a testament of citizens' civil liberties. The right to one's own earnings is as fundamental. We must let the government taxies will go on to provide basic services. They do not use our incomes and local refers pocket money to us as they see fit.

Unfortunately for Canadians, Canada has two competing jurisdictions for a citizen's money. The minute the federal government tries to cut income taxes, the provinces jump in and increase them. The taxpayer is in a bind with the federal government pulling one way and the provinces the other.

The only solution I've heard is a lead-tinny measure. Every penny we raise could go to Ottawa as income tax. Ottawa would then rebate a maximum of say 65 per cent. If the top tax bracket were to be 40 per cent to us, the feds would levy up tax revenue according to where the revenue was collected and give say 30 per cent of it to the provinces to cover necessary spending. This would leave provincial surplus.

Why do it this way? Well, no province would voluntarily renounce power of taxation. But provinces are not allowed to collect tax on rebates you receive from the Crown, what the federal government returns to you would be income from provincial taxes.

The flaw in this suggestion is the greed of the federal government. Given 100 per cent of our money, they may choose to return only 40 per cent. After all, they too have an agenda. One only has to browse through Volume Two of *John Fennell's Tax Through the National Citizens' Coalition*. Based on the notion that the average federal taxpayer earns about \$4,500 per year, the board

ten years and various government grants in terms of taxpayer years. Thus, eighty nine federal taxpayers contributed all or part of one year each to the \$600,000 World Bank Balkans Campaigns in Quebec; sixty-two taxpayers spent \$500-\$900 to produce and distribute 80,000 menus explaining how to reduce meat consumption; twenty-five taxpayers made a total of 750 calls to members of parliament to request Canada's Imperial Crown be rescinded by the Social Sciences and Humanities Research Council's link up three taxpayers' letters, the specification of horizontal resistance in beans made by the International Development Research Centre cost 41 taxpayer years, 111 1/2 taxpayer years were spent on language training over 16 years for civil servants occupying positions that do not require bilingualism. As for social engineering, the religious movements significantly increased their staffs by 257 taxpayer years, and made substantial gains of 5231 menu, 128,484 taxpayer years, 40,400 hours.

Add to all these figures the cost of the thousands of people evaluating the general and Cassin's language debt and deficit are made manifest. Oh, and I forgot. Add the cost of pay equity for the grant evaluators—I feel certain they are in "female" jobs—and stop home from work tomorrow. Why bother? Your soul and salary are owned by the company now.

<sup>†</sup> Clinically proven to soothe up to twice the plaque on the gumline and on between teeth than Crest® 3-6 and Reach® Total Dental Soft. Crest 3-6 and Reach are registered trademarks of Crest 3-6 Laboratories and Johnson & Johnson Products Inc., respectively.

# A FAMILY AFFAIR

The members of the milling throng are, as usual, in a hurry. Outside a red brick hotel on the St. Lawrence River town of Valleyfield, 70 km west of Montreal, most are busy, many are hard-hatted and all are eager to do battle with the slight, bow-headed figure in double-breasted blue who has briefly waded directly into their midst, seeking a dialogue. His quest is met by a rising chorus of whistles and accolades, which soon degenerates into shouts of rebuke. The workers, pushing and shoving, surge impatiently around the blue man who stubbornly stands his ground, well-rehearsed by a phalanx of leather-clad police. He exchanges a little amused but otherwise unreactive moment later to shrug off the incident with a wry smile and a wry comment. "A, money matters?" Daniel Johnson remarks as he straightens his tie. "A sign of the times."

A glimmer, too, of the mantle of the 48-year-old president of Quebec's Treasury Board, the man who is poised to inherit the mantle of Robert Bourassa, both as premier of Quebec and principal defender of Quebec's place inside Canada. Having an eleven-hour entry into the event, an unscripted campaign to succeed the retiring Bourassa, it is Daniel Johnson who will be acclaimed the new leader of the province's Liberal party and work, a few moments after 5 p.m. on Dec. 15 when the deadline for nominations officially expires. Soon after, Johnson will be sworn in as premier of Quebec, setting a historical streak of sorts by becoming the third member of his immediate family to hold the post, after his father, Daniel Sr., and his brother, Pierre Marc. The swearing-in ceremony could take place later this month—but it is all probability Johnson will not take over from Bourassa and end his journey.

For all practical purposes, however, Johnson is already the new premier of Quebec. Significantly, it will be Johnson—not Bourassa—who will represent Quebec when provincial first ministers gather in Ottawa on Dec. 21 to discuss the economy with Prime Minister Jean Chrétien. For several Johnson has been directing the efforts of a ministerial team in Quebec City quietly collecting up the strains



Johnson at the National Assembly: the guy who says 'No'

of government power. He has assembled a prospective cabinet, a house, younger version of Bourassa's ministerial team. He is putting the finishing touches on a new program destined to focus on two of his primary concerns: job creation and government downsizing. And he is barely engaged in an attempt to establish his public image as an efficient but absolutely sane counter-balancer who has been variously described by disgruntled former associates as "coldly reborn" and "born as a politician."

The reputation is not entirely deserved. It stems in part from Johnson's recent public persona, but it is largely the result of the role he played in the past two Bourassa governments. As Treasury Board president for the past 15 years, he has been at the center of the public purse, charged with the onerous task of denying colleagues' demands for a larger share of taxpayers' money in times of restraint. "The guy who says 'No,'" Johnson pointed out during an interview last week with *Maclean's* in the baronial office he occupies in the "Bankers," the stately neoclassical government office block that sits across Grande Allée from the National Assembly in Quebec City. "I guess I've said 'No' to every member of the cabinet and every Liberal member of the assembly on more than one occasion." He added, with a resigned sigh, "This is not the kind of job that allows you to win friends easily."

But winning friends, or at least votes, a Johnson's most immediate task. For not long after he officially takes over from Bourassa, the new premier will face the electorate in a vote that will be critical for the future of both the province and the entire country. The opposition from Quebecers is in a feisty mood, leading the Liberals in the opinion polls, buoyed by the recent electoral success of their separatist allies in the Bloc Québécois and eager to deflect an administration that, after eight years in power, is beginning to show its fangs. PQ Leader Jacques Parson has vowed to fight the election, which must be held no later than next September, on the issue of Quebec's independence. As well, he has promised a clearly worded referendum on independence no later than 18 months after a PQ victory.

Johnson, in control, is an avowed federalist, a much more cautious advocate of the concept than the man he is replacing. When he launched his campaign to succeed Bourassa in October, he chose to describe himself unequivocally as "a Canadian first and foremost." He has since avoided broadcasting his position, largely as a result of counsel from advisers worried about alienating the moderate nationalist vote that is crucial to victory. But at the time, first Johnson makes no attempt to disguise the name when pressed. "I won't disguise the fact that I believe the best interests of Quebec lie in continued membership in the Canadian confederation," he told *Maclean's*.

Neither Johnson nor any of his key associates, however, are willing to minimize the show that *The Liberals* could call the election as early as next summer. "It's not a lot of time," conceded Montreal MP Jacques Chagnon, widely expected to be one of the new faces in Johnson's cabinet. According to the 41-year-old Chagnon, Johnson's parliamentary secretary since 1985, the new administration's main priority will be "recapturing the public's trust in the Liberal government's ability to act decisively in their interests."

Chagnon declined to divulge details. But he did drop a broad hint about the nature of some of the near-instantaneous under-construction when he suggested that a first step towards restoring public confidence might well involve something like a crackdown on what he called the "Montreal media's cigarette smuggling." The flourishing trade in contraband tobacco, which flows largely through money reserves, and the Bourassa government's unwillingness—or inability—to control it, has become a symbol for many Quebecers of what is widely perceived to be the

## BAD NEWS FOR FISHERIES

The Fisheries Research Consortium, which advises the federal government on fish quotas, said the two-year ban on fishing northern cod off Newfoundland should be extended—and broadened to include areas in the Gulf of St. Lawrence and all Nova Scotia. The consortium says that cod stocks have continued to decline despite the ban, imposed in the summer of 1982. It also recommended that fishing for other bottom-dwelling species such as haddock, pollock and plaice should also be suspended at those areas and year.

## A HOO TO TURBANS

The Royal Canadian Legion's national executive issued a directive instructing its 1,700 branches across Canada to allow Sikhs with turbans and Jews with yarmulkes to wear their headgear inside Legion halls. Five Canadian women wearing turbans were barred from the Legion's Newton branch at Surrey, B.C., after participating in a Remembrance Day parade.

## IN THE INJURED'S DEFENCE

Radiology Dr. Gwyn Hurdston reported in *The Canadian Press* magazine that an allergic reaction to a tonic inhalant used in the maintenance of plastic syringes and tubing—and not deliberate overdoses of the heart drug digoxin—may have been responsible for baby deaths at Toronto's Hospital for Sick Children in 1980 and 1981. A 1980 report commissioned concluded that eight babies were killed by digoxin overdoses and another 15 died under suspicious circumstances. After one nurse, Susan Nelles, was cleared of charges of killing four babies, a poll of 100 physicians and nurses working at the hospital at the time.

## END OF A STRIKE

Union members returned to their jobs at Yellowknife's Gold mine under terms of a labour-board deal ending a lock-out work protest in the 12-month-old strike. A union member, Roger Wallace, has been charged with first-degree murder in connection with an explosion at the mine in September, 1982, that killed nine replacement workers.

## AN ARCTIC CRASH

All seven people, including a two-week-old baby, aboard a commuter plane died when it crashed into a frozen lake shortly after takeoff from Tuktoyaktuk, N.W.T. The pilot of the twin-engine Britten-Norman Islander, reported engine trouble and he later reported

covering lastminute of the ruling Liberals

Symbols aside, Johnson and his team are deeply concerned about their fractured prospects, and least those that have been set by members of his own family. While Johnson's father, Daniel Jr., and his younger brother Pierre Marc, were both Quebec premiers, neither lasted very long in the job. Death cut short the older Johnson's term in 1998 after scarcely two years in power as the head of the now-defunct Union Nationale party. But Pierre Marc's example is most worrying. After succeeding René Lévesque as leader of the Parti Québécois in 1992, Pierre Marc lost the premiership just two months later at the hands of Jeanvieve's Liberals. His fate was similar to those of John Turner, who took over the federal Liberal party from Pierre Trudeau in 1984 and then lost to Brian Mulroney's Conservatives 11 weeks later, and of Ken Campbell, after she succeeded Mulroney this year.

"We've spent a lot of time talking about those parallels," acknowledged Manpower Minister Audrey Benoit, another key member of Johnson's inner circle. Benoit, who is slated for a senior cabinet portfolio, expressed Johnson's leadership campaign and is likely to be put in charge of the Liberal's election campaign. While prepared to concede the similarities he nevertheless argued that Quebec's Liberals led by Johnson are bound to exploit well-trodden voting trends in the province. "It's been proved here and there again that the Quebec electorate is fond of voting a certain balance in the way they vote," he said. "I suspect that the same is going to happen again. Having waited for the Bloc Québécois in the federal election, they're now ready to vote things as well as vote for the Liberals in the provincial election."

More opinion polls tend to support Benoit's view. A recent Gallup survey conducted in the wake of the federal election, found that 66 per cent of Quebec's voters intend to continue to support the Liberals in the provincial election. The success of Lucien Bouchard's separatist Bloc as well as 54 of Quebec's 75 federal seats. At the same time, other recent polls indicate that neither Johnson nor Benoit currently enjoy a considerable lead in popular support. A survey carried out by the Montreal pollsters Lévesque & Lévesque in November suggested that the PQ under Parizeau would garner 48.8 per cent support while the Liberals under Johnson would win 46.8 per cent. The same survey also found that Pierre and Johnson effectively evened a favorable opinion among voters, with the PQ leader at 53.4 per cent and the Liberal at 50.6 per cent.

Johnson himself remains silent about his chances of avoiding the fate that overtook his brother a decade ago and Campbell in October 1998. "We're not worried," he said, "there still seems to be a lot of support for the government, capable of providing people with hope." He said he intends to accomplish his by rider

locking both the Liberal's crown and his own. In one sense, the party he will soon lead is likely to co-opt, since as many as 32 senior executives, the core of Benoit's team, have signalled their intention to leave politics. A similar number of backbenchers are expected to follow suit. The studies can be portrayed, as the opposition Progressives are doing, as a full-on fight line impending electoral disaster. But it is also true, as



Johnson (left), Benoit: middle ground

## PUSHING QUEBEC'S 'THIRD OPTION'

In Quebec, they call it the "third option." The possibility of a band of disgruntled former Liberals, it is a product of the increasing polarization of politics in the province. What it involves is the possible creation of an entirely new political party, tailored to occupy the middle ground between the now-only separatist Parti Québécois and the equally committed federalist Liberals. And while it has not yet and may never progress beyond the point of being widely discussed, the concept has nevertheless reached the stage where it is attracting serious attention.

Two men are largely responsible, both of whom suffered a similar fustian at the hands of the Liberals' leadership last year. Marc Dumont, the principal proponent of the "third option" idea, was president of the Liberals' youth wing until he ran afoul of the party hierarchy over his support for the proposals contained in the controversial Allaire report, which called for a massive transfer of powers from Ottawa to the provincial government in

Johnson's entourage maintains, that the way is being cleared for an entirely new look. Johnson, a personal change, though, remains a problem. He is slow to recognize the problem, as he pointed out last week while appearing on a television show hosted by former Montreal entertainer Julie Brûlé. "I'm so happy to be with you because I have that stage as someone who's tried and tested," he told Brûlé, "imagine what could be done to spruce it up. Seidler suggested that he throw a glass of water on his face to prove that, deep down, he was really a little 'The'—okay, Johnson complied, but he lurched the water not at Brûlé, but at Brûlé. "Is that okay enough?" he laughed. "It may not be the real Daniel Johnson—but it certainly projected another view of the man who will soon be Quebec's new premier."

BURKE CAME in Quebec City

Quebec City. The other leading sponsor of the idea is the now-notorious report's author, Jean Allaire himself, a lawyer from Laval. Allaire and Dumont, along with several like-minded colleagues, were forced out of the party when they refused to support the Liberal's decision to shelve Allaire's recommendations.

Neither has remained idle since leaving the party late last year. Dumont presided over the formation of the Forum Option-Québecois, composed mostly of former Young Liberals who left the party at the same time and for the same reasons. Specifically, Allaire created Groupe Action Québec, a think-tank aimed at sparking discussions of ideas and proposals about the future political shape of Quebec. Both groups share the same general political philosophy, but precisely what that is is difficult to define. Allaire has described himself as "center-rightist"—willing to keep Quebec in Canada but only on terms that bear a striking resemblance to René Lévesque's old idea of sovereignty-association. Dumont appears to follow a similar line, closer to the sovereignty arm of the PQ.

Dumont, however, infuriated Progressives only last month when he criticized the separatist party for advancing an independence referendum at a time when solid stand ready to reject the concept, a development that would set back the cause of Quebec independence. Not surprisingly, it is the PQ that must lead the advent of a new party inspired by Allaire and Dumont. So it is now faced with the sovereignty vote, allowing the Liberals to slip back into power for a third term.

B.G.

It's a good feeling to know you're number one.



TO CAPTURE MEMORIES LIKE THIS, YOU HAVE TO BE READY FOR THE MOMENT WITH A CAMERA THAT TAKES GREAT PICTURES WITH A MINIMUM OF FOCUS AND FOCUSING. LIKE THE ESPIO 115 FROM PENTAX.

EQUIPPED WITH A 38-115MM ZOOM LENS, IT'S THE WORLD'S SMALLEST EXZOOM COMPACT 35MM CAMERA. THE ESPIO 115 HAS AN EXCITING RANGE OF SPECIAL FEATURES INCLUDING A Sophisticated LIGHT METERING SYSTEM TO HANDLE DIFFICULT LIGHTING WITH EASE. IT'S A PROUD MOMENT FOR OUR LITTLE GALLERIES AND IT'S A PROUD



THE ESPIO 115 HAS WON TWO PREVIOUS AWARDS IN EUROPE, REPRESENTING THE OPINIONS OF THE EDITORS OF 44 MAJOR PHOTO-VIDEO MAGAZINES IN 15 DIFFERENT COUNTRIES. IT'S THE FIRST TIME A COMPACT CAMERA HAS WON BOTH OF THESE AWARDS IN THE SAME YEAR. INVEST IN A PENTAX AND CAPTURE SOME AWARD-WINNING MEMORIES OF YOUR OWN.

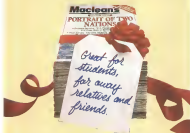
PENTAX  
**ESPio115**

Pentax Canada Inc.  
2333 Denison St. Mississauga, Ontario L4V 1V3





# THE PERFECT GIFT FOR ALL OCCASIONS IS NOW IN YOUR HANDS



What you're holding right now is Canada's best source of weekly news. And the opportunity to give it as a gift at big savings is also in your hands. A one-year gift subscription to Maclean's will bring 52 colorful issues

to your friends — each one a reminder of your thoughtfulness. And it's so easy to give. Just mail the form below. We'll even send you an attractive card so you can personally announce your gift.

Clip and mail to: Maclean's Gift Dept., Box 6084, Postal Station A, Toronto, Ont. M5W 3B6

For faster service, FAX to 1-416-596-2510.

## Maclean's Gift Savings Form

**YES!** I want to give 52 issues of Maclean's for only \$39.95 — a saving of over 2/3 off the cover price.

Please send a one-year gift of Maclean's to:

Recipient's Name \_\_\_\_\_

Address \_\_\_\_\_ Apt. \_\_\_\_\_

City \_\_\_\_\_ Prov. \_\_\_\_\_ Postal Code \_\_\_\_\_

Telephone \_\_\_\_\_

Address \_\_\_\_\_ Apt. \_\_\_\_\_

City \_\_\_\_\_ Prov. \_\_\_\_\_ Postal Code \_\_\_\_\_

☐ Bill me later ☐ Payment enclosed

☐ Check here to start your own subscription

We give the GST credit only in Canada until 12/31/91

(2276)

## CANADA

in The *Washington Post*. Its 45,000 Canadian subscribers include companies and individuals. Jane Turbica, a corporate communications officer with CompuShare, said that for \$12 a week, customers receive unlimited access to a package of instant services. She added that the company has no way of knowing how many Canadian customers used the system to obtain access to the *Post*'s story on the Trudeau case.

Within a couple of days of publication, that story was also available to users of university computer systems across the country, according to David Sutherland, director of computing and communications services at Ottawa's Carleton University. They could obtain the *Post* second through Internet, a rapidly expanding computer network that links universities, research institutes and businesses and is used by up to 30 million people in 125 countries—including an estimated 100,000 in Canada. But Sutherland noted that neither governments nor university computer systems specialists can control the information available on Internet because users get the equivalent of 25 million e-mail messages a day. "We don't pretend to maintain control," he said. "The technology has outgrown us completely."

Other Canadians have relied on Canada *Post*, producing wireline satellite cables and video cassette recordings to obtain and distribute information about the case. Gordon Dornan, a 57-year-old retired police officer from Guelph, Ont., obtained a copy of The *Hellfire News* story in the mail, made 200 photocopies and mailed them to acquaintances across Canada. Dornan earlier mailed out 50 video copies of the New York television show *A Current Affair*, which in late October devoted an entire half-hour segment to the Trudeau-Hellfire case. Canadian stations and American border stations that broadcast the show also carried substantial other programming to avoid violating the law. Dornan, who heads a group that is critical of the justice system, had wanted police to charge him. Late last week, they granted his wish and charged him with two counts of breaching the law.

With so much information flowing into the country, a frustrated Premier Bob Rae criticized the American media's "invasion" for the Canadian judicial system, and his attorney general, Michael Bryant, criticized the media "feeding frenzy" surrounding the case. Some prominent defense lawyers, too, insist that the law should be maintained. Bruce Greenpan, Toronto-based chairman of the Canadian Council of Criminal Defence Lawyers, said the restrictions are necessary to ensure that Trudeau receives a fair trial before an impartial jury. "The situation, the law is nothing to be surprised about," he said, "but I still think it makes sense." Still in the age of electronic information, some legal principles are becoming increasingly difficult to impose—and to enforce.

SPURD JENSEN



The NEW Bose® Lifestyle® 5 music system. Music center with built-in CD player and AM/FM stereo tuner, DirectReflecting™ sub speakers, Acoustimass™ bass module (not shown), remote control that works around corners and through walls.

The press thought our Lifestyle® music system was "exemplary," "ahead of the pack," and "ingenious."

Take one home and tell us what you think.

**When** the Bose® Lifestyle® music system was introduced, it quickly established new standards for home stereo.

Popular Science gave it the prestigious award you see here. Hans Fintel of *The New York Times* described the sound as "exemplary." The *Boston Herald* proclaimed it "ahead of the pack." And summarizing a five-page article, *Stereo Review* called it "ingenious."

Clearly, this kind of recognition would please anyone. But at Bose, our commitment to research and our passion for excellence led our engineers to take it all somewhat differently. They were not nearly as flattered as they were challenged.

The result? The new Lifestyle® 5 music system. Smaller. More affordable. Even easier to use. With every bit of the lifelike sound you expect from Bose.

Visit your Bose dealer and find out how easily a Lifestyle® 5 music system fits the way you live. For the names of Bose dealers near you or for more information, please call toll-free:

**1-800-465-BOSE, (2673) Ext. 326**

**BOSE**  
Better sound through research.

© 1991 Bose Corporation. All rights reserved. Boston, MA 02115.  
Sound by patent rights and/or trademark. Pat. 4,142,411

# The Bear Counter

BY ANTHONY WILSON-SMITH

**S**top if you've heard this one before: A political party runs an election campaign promising new programs, a gender approach to ministerial appointments and a lineup with the right policies of the incumbent government. Upon winning the election, the party immediately orders an examination of the government's finances and announces that—surprise—they are in much worse shape than ever imagined. Immediately, the new finance minister orders a complete review of government departments and programs, and both at tough new austerity measures never discussed during the election campaign. He then convenes a meeting of ministers from other levels of government, and they all take turns explaining why they are not to blame for the present dilemma. All of which translates for voters into one essential message: get ready for a new dose in the already regularly diet of bad news.

After little more than a month in office, the Liberals have followed that familiar formula almost to the letter. In a series of public appearances last week, Finance Minister Paul Martin was busy explaining with dispassionate calm that the deficit, the Liberals have discovered, will be between \$44 billion and \$46 billion for this year, rather than the \$32.6 billion the predicted only eight months ago. Contrary to the may scenario of 2.9 per cent annual growth forecast by the finance department at the same time, growth will be a more modest 1.5 per cent next year. And hundreds of thousands of Canadians have discovered that their incomes will be cut—and are disappointed that that is working to the advantage of some and not others.

In short, the situation could scarcely be more bleak. Nor could the opportunity to reverse course—promises be more tempting. But in a speech in Montreal last week and at subsequent meetings in Halifax with provincial finance ministers, Martin introduced several new realities to an otherwise predictable scenario. The Liberals despite the alarming size of the debt, plan to carry on with their most significant promises—including a \$2-billion program aimed at revamping the country's in-

*Finance Minister Paul Martin challenges Canadians with blunt talk about the painful cuts to come*



## The Growing Numbers

FEDERAL DEBT:

206  
BILLION  
1984

511  
BILLION  
1993

\*ESTIMATED FOR FISCAL YEAR 1994/1995

rastructure. They insist they will keep their promise to reduce one of the government's biggest sources of revenue, the Goods and Services Tax (GST), with another too—though whatever replaces the GST will be designed to raise at least as much revenue. They will try to placate provincial governments even as they reduce the amount of money they give to them. To achieve that goal, they—and the provinces—will have to changes that will sharply alter the way in which Canada is governed, and reduce or eliminate services that many Canadians take for granted. These measures will likely be spelled out in the government's first budget which Martin is to present sometime in February. Even before that the new minister must tackle the thorny question of whether to renege on the \$44 billion to \$46 billion (\$3.2 per cent of GDP) the current forecast of \$44 billion to \$46 billion (\$3.2 per cent of GDP). The weak economy means Ottawa can't count on growing revenues to meet its target—so deep cuts are bound to come. Here's where most federal money now goes:

## WHERE THE MONEY GOES

The Liberal government has an enormous task ahead to keep its promise to cut the federal deficit to 3 per cent of gross domestic product (GDP) in three years—to about \$25 billion. That means slashing it from the current forecast of \$44 billion to \$46 billion (\$3.2 per cent of GDP). The weak economy means Ottawa can't count on growing revenues to meet its target—so deep cuts are bound to come. Here's where most federal money now goes:

- **TRANSFERS TO PERSONS:** \$41 billion, including old age security (\$20 billion) and unemployment insurance (\$19.4 billion)
- **TRANSFERS TO OTHER LEVELS OF GOVERNMENT:** \$26.4 billion
- **MAJOR SUBSIDIES AND TRANSFERS:** \$13.3 billion, including \$3.3 billion to business, \$2.6 billion to native programs, and \$2.4 billion in farm subsidies
- **PAYMENTS TO MAJOR CROWN CORPORATIONS:** \$4.7 billion, including \$1.1 billion to the CDB
- **EXPENSE:** \$11.3 billion
- **FOREIGN AID:** \$2.7 billion
- **GOVERNMENT OPERATIONS:** \$20.3 billion

effectively translate into "reductions." But Martin repeated even these familiar code words in favor of blunt talk. "Let us be clear," he said in Halifax, "that we are talking about substantial reductions in government spending." One of the areas almost certain to be affected is unemployment insurance, where there could be significant reductions in who qualifies for benefits, how long they receive them and how much they receive (page 28).

Other areas include health care and social programs such as welfare and old age pensions. One area sure to be under attack is the universality of some benefits, regardless of income. Drugs, for example, now pays out \$20 billion annually in premiums—and about \$2.6 billion of that goes to families who have no annual income of more than \$23,000. That is one of the areas where there will be pressure to cut. Still, as Martin noted, "There really are not many areas left where universality still exists." Another area that senior Liberals have suggested is ripe for cutting is the \$13.3 billion spent on subsidies, and especially the \$3.3 billion worth of subsidies to business.

New areas of government are likely to be spared—and overall, cuts will likely be deep and direct. In a speech to a conference in Ottawa last week, intergovernmental Affairs Minister Marcel Masse suggested positively that the \$79 billion spent annually on health care—which is actually administered by the provinces but partly paid for by Ottawa—could be cut by

party has no mandate from voters to reduce social programs—a complaint of the New Democratic Party—or that it is not prepared to go far enough, the opposite lesson from the Reform party. Still, some Reformers say they are encouraged by Martin's early steps. Said Alberta MP Stephen Harper, after listening to Martin's televised speech emphasizing deficit reduction: "They have started off in the right direction." There are also those who believe that Martin, who is almost universally regarded as one of the nice guys of politics, simply does not have the stomach for what lies ahead (page 22). Not surprisingly, Martin disagrees. "Some of the steps I have to take will hurt," and Martin "that if we don't take these people will ultimately be hurt a helluva lot more."

Although Martin has no far-reaching specifics, it is clear that millions of Canadians will personally feel the pain of the deficit punch. In the standard government news speak of the 1990s, it has become customary to talk about "revenue" and "expenditure" of existing programs—two words that





# Inflation Fighter

**I**t is a foreman that Finance Minister Paul Martin is taking his time about—carefully watching the future of John Crow and understanding very well that it is a decision as much about his future and the future of Prime Minister's Liberal government as it is about the fate of the 56-year-old economist who has run the Bank of Canada for the past seven years and would not mind running it for another seven. There are decisions that come along in the life of a government that help to define it, and the matter of whether to reappoint Crow is one of them, for Crow is as much a symbol as anything else. "He has been one of the sole because of financial rectitude and economic sense," says Tom d'Aquino, president of the Business Council on National Issues and one of Crow's biggest supporters.

The decision is not one that Martin can toy with for very long. Crow's term as governor, with a salary in the range of \$250,000 to \$260,000, expires on Jan. 31. Last week, a special committee of the bank's board of directors, responsible for the appointment, informally advised Martin to keep Crow on. "The clock is ticking," said Fred Hyslop, an insurance broker from Charlottetown who chairs the committee. The Bank of Canada Act says the appointment of a governor is made by the board with the approval of cabinet. But, says Hyslop, this being one of Canada's most crucial institutions, there can be no surprises and no confrontations. When the matter is put to a vote, he explains, so that the process leading to the announcement, which will probably not come until after the New Year, follows a careful script performed by Martin, the committee and Crow himself. But more than a puppet, the deal seems to resemble a Victorian courtship ritual where expressions of interest can never be stated outright, but are brooded out in more subtle ways.

The signals so far suggest that Crow wants to stay. He has not campaigned, which would be unusual, and bank sources say he deliberately kept a low profile during the recent election campaign. From the government side, there has been little approval. "I've had a number of discussions with Mr.

Crow," Martin told *Maclean's* last week. "I think that I've got to have a couple more conversations" but there have also been verbal glances from Martin and other top Liberals that indicate more than passing interest and a willingness to keep Crow in consideration of the year. "I am still hesitant, and to some degree expect that they will reappoint Mr. Crow," d'Aquino said.

The reason for d'Aquino's caution is that Martin and the Liberals were critical, sometimes sharply so, of Crow as recently as 1991 when interest rates were high. "My criticism really dated back two

*The Liberals have to decide soon whether to keep John Crow at the head of the Bank of Canada*



Crow in Ottawa: a strong reputation among his fellow central bankers



**FASTER THAN A SPEEDING REINDEER.**

**LAST MINUTE SHOPPERS, REJOICE!** We have the perfect gift for you. Send a Christmas package up to 10 kg door-to-door to anywhere we fly in Canada for just \$25.00, envelopes just \$9.99. What's more, it's guaranteed to be delivered the next business day. Or your money back. Express Overnight. Door-to-Door. Not even Dasher can beat it.

**Canadian Air Cargo**

©2002 Canadian Air Cargo. December 24, 2001, Toronto. Photographed by [unreadable]

years ago," Martin said. "I think the monetary policy followed over the past year has been the right monetary policy." The two men have set a few issues aside: the Liberals lack power in early November, so they are required to do, for it is a relationship governed by the Bank of Canada Act. The first meeting occurred not in Ottawa but in Windsor, Ont., where Martin was keeping a hospital vigil at the bedside of his dying mother, Eleanor. The plane carrying Crow back to his ex-wife, leaving the governor in bed in London, Ont., 200 km away, isn't complete the journey by bus. So far, says Martin, these meetings have been cordial. "We've disagreed on some things, we've agreed on some things and in areas where we disagreed, we went to it fairly and fairly, but they were not vicious disagreements. They were just basically disagreements between two people who did lead on a new." The differences would be differences of degree, not substance, for Martin believes as firmly in the push of a stable dollar and low inflation as Crow. "I think, in fact, that low inflation is an essential ingredient to keeping interest rates low," he said the day he was sworn into office.

That the Liberals are even thinking about reappointing Crow might surprise those who followed the dramatic October 1990 when the Bank of Canada rate reached 14.05 per cent and stayed above 12 per cent for 50 of the 52 weeks and above 13.0 per cent for 17 weeks. "People's businesses are being reeled by your very obvious policies," Breg Young, then a Liberal MP and now transport minister, yelled at Crow during a hearing of the Commons Finance Committee that spent its time in Ottawa (and on the verge of the recession) but more than Crow's anticipated pursuit of a low rate in London. There were also well-publicized fits with Breg Martin, now health minister, and Herb Gray, now minister general and government house leader. Under Prime Prime now a junior minister at Finance with an office beside Martin's on the 31st floor of the finance department building in Ottawa, but then chief economist for the Toronto Dominion bank, was also a prominent critic, blaming Crow and Conservative economic policies for worsening inflation at tremendous economic cost. During the 1990 Liberal leadership race, when he also placed it, warning the government should order Crow to reduce interest rates even if it meant forcing the governor's resignation. But Liberals were far from alone



Young critic Michael Crow for driving Canada into recession

in attacking Crow. Tory MPs did it, Don Getty, then Alberta's Conservative premier, did it, as did the Canadian Manufacturers' Association, among many others.

But having paid the price to achieve what is now one of the lowest annual rates of inflation in the industrialized world, 1.9 per cent, there are many who argue that Crow should not be reappointed just when his policies are ready to bear fruit. Not surprisingly, Crow is in that group for he has never been shy about asserting the correctness of his own views. In a speech to bankers in Barbados late last month, he said the decline in interest rates has prompted some to wonder if his policy had changed.

"Not so," he declared. "It is just that one of the essential results of a policy oriented to greater stability in low interest rates, not high ones." The business community in Canada and abroad has enthusiastically endorsed Crow and wants to see him stay on. "Replacing Crow can only be bad," said Raymond Turcotte, a currency trader at CITI America in New York City. "It sends a negative message about inflation." Added Andre Lemire, an economist at Salomon Brothers in New York, "There would be a severe backlash now if Crow is not reappointed."

Under Crow's monetary direction, the Bank of Canada has been elevated in international financial circles alongside the German Bundesbank as a purveyor of anti-inflation virtue. So strong is his reputation that he has earned bank colleagues

from 10 leading industrial nations recently affirmed their high regard for him by electing him their chairman—the first time someone from outside Europe has received the post. Like Crow has come to his position of banking orthodoxy by a most unorthodox route. His personal self-assurance is not inherited but self-taught. Born in London's East End, he is the child of working-class parents. He came to Canada in 1979 from the International Monetary Fund, where he saw up close the lessons of economic failure in Latin America, involving huge public debt, rampant inflation and downward currencies. And while it was Michael Wilson, the architect of Tory economic policies in the 1980s, who gave the nod to make him governor, Crow rose at the bank

from the research department to deputy governor while the Liberals held power.

But not all of Crow's critics have gone quiet. "We can't just let bygones be bygones," says Mike McCracken, president of labor union constituents in Ottawa, who notes that real interest rates, taking into account inflation, are still higher in Canada than in the United States. Economist James Stiles at the WUSA Group in Toronto argues that Crow's fixation with inflation led to the recession and "desecrated Ontario in the process." Crow's opponents in the Bank of Canada for Canadiana Coalition, which groups businesses and academics, have even enlisted support from Paul Samuelson, a Nobel laureate in economics and professor emeritus at the Massachusetts Institute of Technology in Cambridge. Samuelson contends that Crow has been too dogmatic in his fight for price stability and that central banks must take into account other economic goals. At Martin's meeting last week in Halifax with provincial finance ministers, the NFP governments in Ontario and British Columbia argued openly against reappointing Crow. That view also has water support in the Liberal camp. Toronto MP John Nicolson said reappointing Crow would undermine the government's credibility. "We made it a mission to fight the Tories for their single-minded fight against inflation and that was John Crow's policy," he said pointedly.

But critics might find little reason to cheer even if Crow is ejected aside. "It would have to be somebody who would be concerned about the value of the currency and low inflation," Martin told Morley. "So the governor of the Bank of Canada is going to have to be out of that mold at any event." In effect, the minister conceded, a new John Crow would probably look a lot like the old John Crow.

WARREN CHURCHILL and LOISE POWERS  
in Ottawa and MONTREAL, QUEBEC and Toronto

A visionary masterpiece—Digital's Open Client/Server technology. Like never before, your people can access and share information to dramatically improve customer service, reduce time-to-market and enhance profitability. Around the office or around the world, imagine all your hardware and software linked together with Digital's standard-based middleware. And with Alpha AXP power—the world's fastest microprocessor—your team can have the performance of the future today. Discover how Digital's Open Client/Server technology can drive your business. Call 1-800-268-1121. Anything less could fall short of your goals.

**Alpha AXP**

PUTTING IMAGINATION TO WORK

Imagine seeing your goals from a whole new perspective. **digital**

© Digital Equipment Corporation 1991. The VAX and Alpha AXP are trademarks of Digital Equipment Corporation.



New Brunswick Works class in Fredericton trying to break the expensive cycle of dependency

## Under scrutiny

In 53 years, the labor market has changed more than the architects at Unemployment Insurance could have ever foreseen. To those survivors of the Great Depression, UI was a temporary measure to support the unemployed between jobs, ensuring their dignity, their houses and their very survival. They never imagined that entire communities would regularly rely on these federal payments, year after year, for most of their income. They never predicted that thousands of low-skilled jobs would disappear permanently so that UI recipients would search in vain for any work and then slip helplessly onto the welfare rolls. And they would be flabbergasted to discover that UI has cost

more than \$20 billion this year—and that it is largely financed through a tax on jobs. Says Simon Fraser University economist John Richards, "It is no longer a device to aid people over temporary unemployment; tomorrow, it has become a very significant welfare system."

The scrappy program born in 1940 has in fact become one of Canada's distressing

and most intractable problems. In 1993, the province to which the system dramatically increased last week when Finance Minister Paul Martin announced that the 1992-1994 federal deficit could be a staggering \$46 billion. Overnight, all social programs were on the table. UI faces intense scrutiny, partly because it is the costliest federal program—accounting for fully one eighth of Ottawa's

while provincial welfare payments were crisscrossed by the so-called "unemployables" who could never work.

The recession and the changing job market have almost eliminated these tidy distinctions. The average worker no longer slips easily between jobs because the very backbone of the labor force is disappearing: there are fewer traditional jobs as assembly lines, in stitching or in laundry. The newer jobs require more skills—far fewer UI recipients receive training or counseling. As a result, in many communities, the few jobs that still exist exhaust their benefits—and resort to welfare. Many welfare recipients, in turn, are looking for work. In communities with higher rates of unemployment,

spending—and partly because it could play a vital role in a changing economy. Senior bureaucrats and academics are flooding the new government with plans to overhaul the UI and provincial welfare systems—together—to ensure access to training and to break the expensive cycle of dependency. The costs of UI are indeed high, at five years, the price tag has almost doubled. Although it

is financed through contributions from employers and employees, the program has \$6 billion in accumulated deficits and will slip another \$1 billion into debt next year unless Ottawa introduces premiums from employers and employees—or cuts the level of benefits. "There is no endless way to do this," warns Judith Maxwell, associate director of the Queen's University School of Policy Studies. "According to the provisions in the wrong way to go because premiums constitute a tax on jobs. But we cannot allow the system to contribute to an even greater federal deficit. It is time for society to get used to the fact that we have to change our expectations."

But the UI fund's financial woes are among the least of its problems: the system itself is largely obsolete. Experts warn that if Martin won't fix it with proposals and benefits, he will lose a golden opportunity to break the crippling cycle of UI dependency. To provide more training for new jobs and to overhaul the outdated, hopelessly convoluted maze of social programs. The Liberals are already aware of that challenge—and of the consequences that they will face during discussions with the provinces. UI was designed for workers who were temporarily between jobs,

when the benefits last longer, many are skilled workers. However, several months of seasonal work combined with annual visits as UI. Such repeated dependency has become a dispiriting intergenerational pattern that defies easy answers. Wants Arthur Krieger, chairman of the Ottawa-based think tank Public Policy Forum. "I don't think you can avoid reform, because UI

# BAILEYS

I'm bringing something rich, smooth and worldly home for the holidays.

Oh, and Paul too.



BAILEYS RAISES THE ART OF THE HOLIDAYS.

now costs so much. That it is not possible to do it in six months. You have to get into a really ambitious redesign because long-term unemployment is becoming much more prevalent."

Opportunity in such reform is enormous—largely because so many Canadians depend on the income. Last month, more than 1.9 million people—or 11 per cent of the labor force—were on UI. Defenders of the current system argue that UI is an insurance scheme which business must accept as a result: they say any contributor has a right to collect it as of ten as that contributor is eligible. But UI is not a genuine insurance scheme. Workers in high-unemployment regions or industries such as forestry do not pay higher premiums to reflect their higher risk of leaving their jobs. Workers in different parts of the country do not even receive the same benefits—even though they pay the same weekly premiums. In high-unemployment regions such as Newfoundland, employees need only 30 weeks of work to qualify for 30 weeks of benefits. But in low-unemployment regions such as southern Ontario, in contrast, employees need 50 weeks of work before they can even qualify for benefits—and those benefits last only 30 weeks. Vancouver's Fraser Institute estimates that 50 per cent of the recipients who work the minimum number of weeks to qualify are "residual" whose working patterns have barely been adjusted to take advantage of the benefits.

The question that UI is largely self-insuring has also hampered reform. In 1983, the fund ran a deficit of \$1.3 billion this year. It will lose another \$2 billion next year unless Martin decides to increase the premiums by 3.3 per cent to meet the shortfall that is to \$9.18 per week for each \$100 of insurable earnings for employees and to \$6.36 for employers. Such premium hikes are, in effect, tax increases. Worse, such taxes penalize employers who hire workers, because even when employee costs higher costs for UI premiums. Says Krieger: "It is an elementary principle that if you tax something, you tend to discourage its use, so we are regularly told in justification for increases in tobacco taxes. Why would anyone want to hire or to increase taxes on others during a period when unemployment is rising?"

There is, in contrast, no doubt that there is an easy way to slash billions of dollars from UI overnight without wrecking lives. Most experts, including Krieger, warn that the task of overhauling UI may stretch over the entire five-year life of the current Parliament—and that it requires high levels of federal-pro-



Macwell: a warning that there is no painless way to do this

vincial co-operation. As a first step, Ottawa must bring the fund into line with insurance principles that is, all employees should work the same number of weeks for the same benefits. That apparently simple adjustment, however, means that many employees who have worked only 10 weeks each year for years because there is no more work in their current fields may have to retrain, and perhaps move. Says Queen's University economist Thomas Courchesne: "This notion that we are going to transfer funds in order to make some place more sustainable is gone."

Such traditional recipients might, of course, simply resort to welfare, obtaining the government's already overstretched benefits. The only answer is co-operation. Ottawa and the provinces must work together to retrain and to lower jobs for employable Canadians. At present, Ottawa spends a comparatively paltry \$3.5 billion in retraining and job creation; only 10 per cent of the UI fund, about \$2.2 billion, is earmarked for such benefits, while another \$1.3 billion comes from general revenues. That is an inadequate response to disturbing patterns. Average unemployment rates have shot from 4.2 per cent in the 1950s to 5 per cent in the 1960s, 8.7 per cent in the 1970s, 9.3 per cent in the 1980s and more than 11 per cent in the 1990s. Many UI recip-

ients now require more time to find work, an unprecedented 30 per cent have dropped benefits for more than six months. When they do find jobs, that work is often part-time, low-paying, and less satisfying.

Any solution must be innovative. Ottawa's high-cost hopes are pinned on an experimental project, in Quebec, which began in New Brunswick in May, 1992. That program, \$175 million program on both UI and potential welfare funds to give education, training and job experience to 2,000 welfare recipients. So far, 540 of the first 1,000 entrants are still in the program after 20 months. Most of the rest have fallen back on welfare, and another 753 out of the second 1,000 entrants have lasted seven months. That program will likely furnish the model for reform.

Human Resources Development Minister Lloyd Axworthy and New Brunswick's Premier Frank McKenna issued late last month a joint statement.

"If Writen could also open the door to a range of financing options, Macwell suggests that UI recipients should receive their cheques for only four months. If they cannot find work, they should be required to enter a federal/provincial program that retrain them and "comparable" welfare recipients by the turn of the century. Macwell adds: 75 per cent of UI funds should go to active support programs such as retraining—instead of the current 10 per cent. "It is true that there are not enough jobs to go around now," she admits. "But if we do not train people then they get stuck in a gap where they will never be able to qualify for the new jobs."

It is not clear that such UI overhauls will mean any major, short-term savings for Ottawa. Some experts, such as Krieger, estimate that Ottawa must pay about \$5 billion for the UI fund—at the same time as it puts increased emphasis on lowering unemployment. Other experts, such as Simon Fraser economist Richards, argue that all savings from UI reforms must be put back into retraining. "We also should view UI reform as a way of solving the deficit," he argues. "We have got to be prepared to spend as much but spend it smarter." Whether Martin decides, it is clear that UI will change. As Patrick Johnston, executive director of the Canadian Council on Social Development, observes, "I don't think that we can keep our heads in the sand any more."

MARY DUNAGAN

**Better water. Better gift.**

That Brita pitcher, put a Brita Water Filter System under the tap. The patented Brita Filter reduces unpleasant elements like lead, copper and chlorine that may come through the tap. That means cleaner, tastier, healthier drinking water. And what could possibly be a better gift than better water?

**BRITA**  
Makes your water better™



When 19-year-old Henry Benoit Jr. pleaded guilty to the robbery and shooting of a taxi driver last summer, Judge Henry Kennedy asked him why there was so much killing on the streets of Washington, D.C. In a breathless reply that sent shivers through district court Benoit replied: "It ain't like it was when I all here young. I all thought it not with a fist. They don't do that no more. They use a gun. Indeed they do. And in the process, the nation's capital, more than any of the other large and violent American cities, has developed the characteristics of a Wild West town. There is a general perception that the police have lost control but at least some of that control was restored last week when President Bill Clinton signed the so-called Brady bill to regulate handgun sales. The new law, which goes into effect next February, outlaws a national five-day waiting period for handgun purchases by alien state citizens have to check if the prospective buyer has a criminal record or a history of mental instability. Sent Clinton: "This will be step one in taking our streets back, taking our children back, reclaiming our families and our future."

The statistics are harrowing. There were 35,790 murders in the United States last year. And another 400,000 in the states were more than in Washington, where so far this year there have been more than 1,600 shootings and 432 murders—the highest homicide rate in America. The great majority of the killers and their victims are black, and many die of drugs. Fully 80 per cent of Washington murders involve a gun. In December an ex-convicted Mayor Sharon Pratt Kelly asked the President to authorize the use of the National Guard on the capital's main streets. Clinton refused but he did ask Congress to authorize members of the U.S. Capitol Police, the Secret Service, the Park Police, the FBI, the Bureau of Alcohol, Tobacco and Firearms and the U.S. Marshall Service to be deployed into the city police force for a few weeks. The idea is to give the mayor and police Chief Fred Thomas time to hire and train a new regular police force. Declined Kelly: "We've got a war on our hands."

Experts say that the current wave of Washington killings is directly related to the emergence of crack cocaine in inner-city street markets. For the dealers, crack is easy to make, relatively cheap and highly profitable. It has led to a new breed of over-zealous cops, and that in turn has led to a proliferation of guns. With large sections of the capital living in a state of constant terror, last month's police chief Thomas declared a "war on crack" involving law to change officers' shifts only at night so that they can put more police on the streets at times when crime is highest.

## THE UNITED STATES

## Capital crimes

The Brady bill may take guns off Washington's mean streets



Washington police arresting a suspect, recently

gun," he said. "Until that time, I had not thought about gun control or the need for gun control. Maybe if I had done so, I wouldn't be stuck with these damn things."

It was barely a week after the fatal shooting of a young man, a 19-year-old, who was shot in the back of the head by a police officer. The officer, who was shot in the back of the head, was shot in the back of the head by a police officer. The officer, who was shot in the back of the head, was shot in the back of the head by a police officer.

Number of handguns, registered and unregistered, per 1,000 population.

CANADA  
50  
USA  
280

It took seven years of persistent lobbying to pass the Brady bill, but the laws governing handgun ownership are still far weaker in the United States than in Canada.

- Handgun purchases must be at least 18 years old, with no criminal record or history of mental illness.
- Purchasers must undergo background check by police and obtain a registration certificate from the state—processes that can take as long as several months.
- Gun owners must also obtain permits to take, carry or transport their weapons.
- In most states, handgun owners must belong to a previously recognized gun club and must pass a firearms safety course.
- The Brady bill requires a five-day waiting period and a background check for anyone wishing to buy a handgun.
- Other federal laws bar minors, alcohol, drug addicts, the mentally ill and people with criminal records.

The emergency was declared not so much as a result of the growing crime statistics but because a series of particularly poignant cases involving innocent children has made the public widely aware of the severity of the crime. In June, four teenagers were shot and kidnapped and a 10-year-old girl was shot and kidnapped. In September, a 10-year-old girl was shot and kidnapped. In September, a 10-year-old girl was shot and kidnapped.

Proponents of the Brady bill say that the passage could help turn things around in Washington and other violent urban areas. Last week, former White House press secretary James Brady, who was shot in the head during the 1981 attempt on President Ronald Reagan's life, was scheduled to be the highly emotional signing ceremony for the bill named after him. The wheelchair-bound Brady, who has only limited control over his hands and voice, read a speech that he wrote himself. He said: "Twelve years ago, my life was changed forever by a gunshot wound. I was changed forever by a gunshot wound. I was changed forever by a gunshot wound."

He was barely a week after the fatal shooting of a young man, a 19-year-old, who was shot in the back of the head by a police officer. The officer, who was shot in the back of the head, was shot in the back of the head by a police officer. The officer, who was shot in the back of the head, was shot in the back of the head by a police officer.

WILLIAM LOWMYER  
Washington

## And Now For Something Completely Different, Showers In London.



Not surprisingly, British Airways' new arrival facility at London's Heathrow Airport is making quite a splash. New, Club World and First Class passengers can enjoy breakfast and a hot shower. And we've even added a new

pressing service. So, while we can't ensure your meeting goes off without a wrinkle, we can see that you do. Just one more reason why it's the way we make you feel that makes us the world's favourite.

CLUB WORLD  
**BRITISH AIRWAYS**  
The world's favourite airline

COLOMBIA

# Death of a drug lord

The cocaine trade will survive Pablo Escobar

His story was in ruins, his family was under government protection and he was a fugitive. In the end, 46-year-old Pablo Escobar, who rose from petty car thief to become one of Colombia's most powerful drug lords and one of the world's richest men, died last week in a deluge of police bullets. Witnesses caught a glimpse of a hit man fleeing terrified and shuffling over the roof of a suburban house in Medellín, Colombia's second largest city. They heard an explosion of gunfire and, moments later, Escobar and a bodyguard lay dead. While thousands of terrified supporters publicly mourned the death of a man who built



Police removing Escobar's body: hopes that narco-terrorists will end

housing projects and soccer fields for Medellín's poor, drug-deckle deals privately exploded. The government of Colombia conceded that Escobar's death would have

little impact on the cocaine trade. "Drug trafficking in Colombia has not ended," President Cesar Gaviria told a news conference in Bogotá. "But Colombia's worst nightmare has been slain."

At the height of his power during the 1980s, Escobar's Medellín cartel, and a rival based in the Colombian city of Cali, supplied 80 per cent of the cocaine consumed annually in the United States. New York-based *Foelix* magazine estimated his personal worth in 1991 at \$3.2 billion. Escobar, a married father of two children, reportedly owned a fleet of aircraft, apartments in Florida and hotels in Colombia and Venezuela, as well as a private zoo stocked with jaguars, hippopotamuses and crocodiles. But wealth did not protect him from the law. In response, Escobar launched a war against the government of Colombia in 1986 that led to the assassination of presidential candidates, judges, lawyers and journalists, as well as the deaths of hundreds of ordinary Colombians. Ironically, his reign of terror also led to the destruction of his empire. While he was driven into hiding, his rivals, including the Cali cartel, began to secure a bigger share of the cocaine trade. Said Colombia's prosecutor general, Gustavo de Georf of Escobar's death: "There will be no change in the trade as long as unskilled couriers continue to smuggle their appetite for drugs."

In June 1991, Escobar accepted a conditional offer from Gaviria to surrender in exchange for a reduced jail sentence and guarantees that he would not be extradited to the United States. But last year, he and nine of his cronies escaped from their maximum-security prison—mockingly dubbed "Hotel Escobar" by some foreign newspapers because of its comforts—and disappeared. Police finally caught up to Escobar last week by tracing a phone call from the Medellín house where he was hiding.

While Escobar and his associates were high-profile, defiant criminals, their successors in the Cali cartel are far less conspicuous. The organization is allegedly run by two brothers, Miguel and Gilberto Rodríguez, who have avoided direct confrontation with the government. They are believed to prefer brains and sophisticated intelligence gathering to keep the police away and to preserve their operations. For that reason, many law enforcement officials regard them as less dangerous, but more cunning than the late boss.

Escobar. With the drug lord's death, the biggest hope in Colombia last week was that the bloody era of narco-terrorists had finally come to an end.

Make this a Christmas she'll never forget.



Diamonds  
Just because you love her.

A diamond is forever.

**SMIRNOFF**  
THE  
ULTIMATE  
MIXER

With tanks. With juice. With beer. With friends.  
Enjoy the holiday and please drink responsibly.

DARCY KENNEDY with LESLIE FODPSA is Right

# GROUNDED

## THE LIBERAL GOVERNMENT KILLS THE PEARSON PRIVATIZATION PLAN

The Prime Minister was not present when the death sentence was announced. But he had heard the calls for political blood for months. Last week, Jean Chrétien used a hurriedly written, former Ontario minister Robert Noon, to deliver the final blow to a controversial deal to privatize and rebuild Toronto's Pearson International Airport. At the same time as Noon and Transport Minister Doug Young announced Chrétien's decision to terminate the contract that the Mulroney government awarded to private sector developers, Noon also released a damning report on the deal which he had headed privately to Chrétien earlier in the week. The 27-page report did not mince words. Noon declared that the current plans surrounding the deal bordered on corruption. "The contract was awarded at a time when the shadow of political manipulation," said Noon at a news conference announcing the deal's cancellation. "It is my responsibility [the proposal] was designed to ensure the building of the certain firms." He added, "To leave in place an inadequate contract, arrived at with such a flawed process, is unacceptable."

Noon's blunt words marked the latest attempt by the Liberal party to live up to election campaign promises to run a more ethical government and a more transparent public sector. After lobbying on "headline promises to re-appoint unsatisfactory clauses in the North American Free Trade Agreement (NAFTA) and agreeing so quickly to purchase it one last by law 1, the Liberals had in the equipment Pearson deal a reluctant distance and an over opportunity to rule. The decision was also a dramatic reversal of the former Tory government's push to privatize and the delegation of private-sector authority within the traditional domain of the public sector. In fact, Noon recommended taking the redevelopment of the airport out of the hands of the private sector altogether. He suggested that the Greater Toronto Regional Airport Authority, which represents municipalities in the area, take over Pearson and other airports surrounding Toronto. Because of Pearson's importance to the area's economy, Noon also said that both the province and Ontario should be represented on the authority's management board.

That could not be further from what the principals of Pearson Development Corp. had so stated. Officials with that consortium issued the contract to rebuild the airport on Oct. 7 in the middle of the election campaign. They promised to spend \$700 million to renovate two Pearson terminals in exchange for a 37-year lease and a share of any profits. But the proposal caused an immediate uproar when it was revealed that many of the principals behind the project had close ties to former prime minister Brian Mulroney. And opposition politicians immediately charged that Pearson International—the only profitable airport airport in Canada—was being turned over to the private sector in spite of a gigantic percentage scam. Chrétien reacted by promising to review the project if he was elected. He kept his word and within 48 hours of his victory he appointed Noon to review the project.

In his findings, Noon said that both the political and bureaucratic processes behind the awarding of the Pearson contract were deeply flawed. He noted that the level of political involvement appeared to be so

Corporation of Pearson: 'The shadow of political manipulation'



high that it disrupted senior transport officials, who were subsequently reassigned or transferred out of the project at their own request. "The political staff were involved in this transaction to a fairly unusual extent," said Noon. As well, he said that the 90 days of review for corporations to submit bids on the project provided enough time only for firms with inside knowledge of the project. And he added that the government seemed to be in such a rush to avoid the contract that it did not even review the financial health of some of the firms involved. Said Noon: "I found it extremely unusual to allow bidding without having a financial prequalification."

One reason the plan to privatize Pearson attracted such political firestorm was because it is an example of a government operation that actually makes money. According to Transport Canada figures, its two government-run terminals generated a profit of \$22.6 million in 1992. Critics of the privatization deal claimed that there was no need to hand the facilities over to the private sector to achieve much-needed expansion at the airport. Said MP Toronto South—critic of the Pearson Liberal caucus "The removal of Pearson can be put out of the cash flow that is being generated now."

Chrétien's decision not to proceed through the private sector, was a bitter defeat for the firms that had openly bid for the project. The competition was won by the private firm of Toronto, who was later merged into the Pearson Development Corp. According to their contract, the developers promised to spend \$200 million over the next four years rebuilding Terminals 1 and 2 and another \$200 million when passenger volume climbed above 24.2 million. As well, according to the contract, the federal government would have received \$25 million a year in rent. Said Pearson Development chairman Peter Coughlin: "The agreement fit perfectly with the government's stated intention to create jobs."

But it was the developer's political connections that produced the most critical outrage. Support is provided by the Matthews Group Ltd. of Toronto, owned by London, Ont., developer Donald Matthews. Matthews, a former national president of the Conservative Party, co-chaired Mulroney's successful 1985 leadership campaign. William Neville, who ran Tory campaign headquarters leading into the Mulroney government's transition in 1984, was the lobbyist for the Pearson proposal. Former Mulroney cabinet minister John Ichniuk joined the Pearson board of directors following the Oct. 25 election. But Neville strongly denied any suggestion that the process was corrupt. And he said it was ironic the leader made a commitment and took out one individual who has done some political activity and [don't] make it a political deal.

Despite last week's announcement, the government is not yet free of the Pearson tangle. Noon recommended that the firm involved should be compensated for money already spent. While the developers said that they might yet sue the government, Noon said that he did not expect a long struggle to the courts over that word. "The senior executives involved are responsible and professional business people," said Noon. But according to his own report, Transport Canada's political system had shown a divided lack of responsibility and professionalism.

TOM FENNEL with LARRY FENNER in Ottawa

## Business Notes

### BCE BAILS OUT

Great BCE Inc. of Montreal is getting out of the real-estate and trust business. The Bank of Nova Scotia agreed to buy Montreal Trust Co. Inc. from BCE in a share swap worth \$595 million. The bank will exchange 10 million of its common shares for all of the outstanding shares of Montreal Trust. BCE also agreed to sell Montreal-based Brookfield Development Corp. to Carleton Development Corp. in a share swap worth \$100 million. As well, BCE plans to take a \$700 million charge against its earnings this year to cover losses from the deals.

### DRUGS CHAIN UNDER FIRE

The Ontario Ministry of Health, a charge for double-charging complained that the Shoppers Drug Mart chain refused to allow it to place disaster orders in its 350 stores in the province because the chain's employee health plan has been using a customer pharmacy. Ordering by mail lowered the chain's drug costs by 30 per cent. Shoppers executives deny that the issues were linked, claiming that one of its employees made a "irreparable mistake" during a telephone conversation. This controversy arose a week after a previous incident with the Toronto-Dominion Bank. Acting on complaints from several Shoppers pharmacies, TD Bank withdrew a recommendation that its employees order drugs by mail.

### AIR CANADA'S NEW LOOK

Air Canada's Montreal-based planes decorated with its new corporate colors at Montreal, Toronto and Vancouver. The company's former red-and-white livery has been replaced by a red maple leaf and set against a green background on the tail, and with red capital letters spelling Air Canada and a small maple leaf on the fuselage. The new look is part of a \$20-million promotional campaign by the money-loving airline and in Montreal, the airline hopes that the federal government will encourage any share in the company.

### ECONOMY MOVES

Statistics Canada reported that the economy moved up in its monthly performance in a year in the three months ending on Sept. 30. Consumer spending, government spending and retail sales in the face of rising deficits. As a result, the economy grew at an annual rate of 1.6 per cent, compared with a 1.3 per cent growth rate in the second quarter and 0.4 per cent in the first quarter.





## BUSINESS

# Driving in a new direction

It was a setting grand enough to match the host's ego. Last week, Frank Stronach, the Barcelona founder and chairman of Magna, took about 200 shareholders and other guests to the palace in the club's marble Great Hall, with their third through seventh floors turned into the West Lounge. There, under a ceiling covered in gold-leafed frescoes, Stronach noted that the economic barometer and financial management that almost sank Magna during the 1980s are now behind it. The crisis he lived through as Stronach and his associates insisted that, from now on, Magna will pursue a policy of "disciplined growth." If Stronach was struck by the irony of denouncing excess in such lavish surroundings, he did not show it. "We will be a great one in the years to come," he enthused. "Neither up nor down."

Given Magna's soaring fortunes, shareholders appear to be more than willing to let Stronach say whatever he wants. Three years ago Magna was barely afloat for the first time in its history and was saddled with more than \$1 billion in debt. Nervous bankers were pressuring Magna executives

to break up the company and sell off its most profitable divisions. The nervous Stronach sat on the sidelines as a rescue team of expert negotiators fought for some breathing room from the bankers. They succeeded. Since then, Magna has wiped out its debt and roared back to profitability despite a prolonged slump in the North American automobile market. The company's sales for the year that ended on July 31, 1993 climbed by 16 per cent to \$2.9 billion. Last week, Magna reported a record \$47.3-million profit for the first quarter ending on Oct. 31. As well, its stock has soared to \$80 1/2 a share, from a low of \$2 a share in November, 1989. And after three years of painful cost-cutting and restructuring, Stronach, 61, is talking about big expansion plans once again. "We are not a Canadian company," he boomed. "We are a global company."

The focus of that expansion is, for the moment, in Europe. In September, Magna bought a 60-per-cent interest in a German auto-bomb and steering-wheel manufacturer for \$60 million, and 12 per cent interest in its parent company, which makes aluminum engine blocks and pistons, for \$40 million. To finance these purchases, Magna raised \$214 million of new stock at \$26.50 per share, which investors snapped up within days. In October, Magna

Stronach debt-free and expanding aggressively into foreign markets

agreed to buy a 74-per-cent stake in a Hungarian car-view mirror manufacturer. In the past, Magna has bought machinery in Europe, and operated the small factories there. Now, Stronach says that he wants to expand Magna's production facilities, and is shopping for European partners. Stronach added that he now spends about half the year in Europe, mostly in Germany, Switzerland and his native Austria.

But although Stronach will likely be able to find great investments to stage fresh annual meetings—he is, in many ways, more inclined now than he was during the company's heady growth in the 1980s to rotate the top job at Magna, and 60.9 per cent control of the company with special shares

that carry 100 votes each. Here, set in an airless room this fall, he explained that he is "too involved in the day-to-day things." At last week's annual meeting, Stronach paid tribute to "a great report" to shareholders by "a great team," and praised Magna's "great decisions." Then other executives moved quickly to the microphone to answer any detailed financial questions from the floor. Stronach, who would like to be taken seriously as an economic theorist, still seems inattentive about Magna's corporate. Chief of Rhythm and no Fair Trade member, a combination of profit-sharing and production incentives for company employees.

*After a major restructuring, Magna gains global ground*

Stronach has also rejected huge personal financial rewards from the system. Last year he turned \$6 million in salary and in bonuses. But Stronach points out that most of his compensation is tied to Magna's profits and through a stock option plan, to its long-term success. For early stakes in the company, Magna and its shareholders could make money. And at last week's meeting, none of the shareholders present questioned him about his salary or the \$12 million he borrowed from the company last year.

Both Stronach's business philosophy and his drive to succeed stem from his early experiences, rather than from formal schooling. Born in Vienna, Austria, Stronach left school at age 14 to begin an apprenticeship in a tool-and-die industry. He immigrated to Canada in 1954 with just \$200 and started a small auto-parts company of his own in 1959. Over the next two decades, he built it into a

# CHRISTMAS PAST. CHRISTMAS PRESENT.

When Canadian Club first introduced their decorative gift box so many years ago, it began a long-standing tradition of Christmas gift giving. Every year since, Canadian Club has celebrated Christmas with a new gift box reflecting the spirit of the holiday season.

Originally sold straight from the barrel, Hiram Walker was one of the first distillers to sell his whisky in individual bottles.



This ensured that the taste of his whisky would consistently be of the highest quality.

This Christmas we invite you to give, serve and enjoy the always smooth, always mellow taste of Canadian Club. A tradition from Christmas past, to Christmas present.

**C.C.**  
*Canadian Club*  
Since 1858



\$120-million a year. Despite the management structure was radical at the time, a loosely affiliated group of small factories, many of them run by skilled European-born tradesmen, with plant managers and employees confined to a share in their factory's profits by the mid-2000s, when Magna's annual sales soared to more than \$1 billion, the system appeared to be working perfectly.

Flash with his success, Strosach relinquished much of his management responsibilities at Magna and plunged into politics. He ran successfully in a Liberal campaign in the 1985 federal election, representing the constituency as a close for the Canadian economy.

Strosach dabbled with other ventures as well. As a tennis player, he founded a sports clothing company. He also launched Pate, a short-lived business and lifestyle magazine. As well, he opened Roscoe's, a specialty restaurant. Toronto dance-club owner to the city's power was not his first job. Strosach still remembers when questioned about how much of a drama these ventures were on his rise and Magna's success. "That was always completely out of proportion," he says.

However, Strosach reconsidered then when he returned to Magna's head office the day after the election, he found the company's finances in a shambles. As well, he says that he realized then that Magna's decentralized management structure was unsustainable for such a large company. Furthermore, he says that young managers were too eager to prove themselves, and had borrowed too much for too much, and at other ventures. Said Strosach: "The customers kept pushing work to us, saying, 'Can you do this?' Our managers said 'Yes,' and the banks said, 'Money's no problem.'"

But by early 1989, Magna's corporate debt load was approaching \$1 billion. Strosach began shaving costs—downsizing middle management, closing executive dining rooms and selling two of Magna's three corporate jets. He also delegated authority for the negotiations with the banks, as well as many of Magna's day-to-day operations, to a special management team led by chief financial officer David Copeland, and accountant and vice-president of corporate development James Ward. In early 1990, they were approved from debt holders for an elaborate debt restructuring plan.

For Strosach, however, the turning point occurred in May, 1990, when he flew to New York and convinced investors to buy \$100 million (U.S.) worth of bonds convertible in

to Magna stock at \$10 a share. Last week he praised those investors for their foresight. "New York stepped forward first," he said. "And I'll always remember that." But investors and analysts still had doubts about both Magna and Strosach. When Copeland and Ward left Magna in October, 1990, the company's shares, priced some \$200 by \$1 within a few hours, to \$22. However, it bounced back quickly and has climbed steadily ever since.

Industry analysts attribute Magna's swift comeback to a combination of luck and smart management. Overall, North-

west from 19 in 1989, with most of them clustered north of Toronto. Its Canadian workforce is 10,000, down from 22,000 in 1980. Strosach complains that high taxes and excessive regulations are tearing away at revenues. Said Strosach, "If you've got more money in Canada why would you dig a fault datum, set up a building, buy machines, hire employees and cope with the bureaucratic environment if you can buy government bonds?" He adds that he maintains many of his operations in Canada only because of a strong sense of obligation to long-serving employees.

Even in his own backyard, Strosach complains that he is running in to bureaucratic roadblocks. In September, he proposed a plan to build a new Magna headquarters and a housing subdivision on his 700-acre farm to the town council of Aurora, a suburb just west of Toronto. Local planning officials have held up the development. To Strosach, the delay is typically Canadian. He added that, in the United States, "they would give the kids the day off school and have brass bands and big banners that read, 'Welcome Magna.'"

Strosach also gets a little leary when questioned about his personal life. Aside from tennis, his big past passions are horse racing. Strosach owns about 30 thoroughbreds, and is the leading owner in that area this year, with \$1.7 million in purse money.

He also spends away his Saturdays belittling his two-year-old grandson, Frank. But Strosach declines to answer questions about his wife Brenda and their two children. Strosach's daughter Belinda, 21, who is married to Magna president Don Walker and sits on the company board of directors, had their second child, a daughter, last month. Said Strosach of Walker: "I thought of him very highly even before he knew my daughter." Strosach's son also works for Magna, but he will not divulge any more than that.

Strosach warns when the conversation turns back to economics and politics. He says he became disenchanted with the Liberal party soon after the 1988 election and voted Reform in the Oct. 25 election. "They are less brain-dead than the other parties," he said. But now that Magna is back on track, Strosach says he wants to live in a "free enterprise think tank." Although he has made more money than many business can even dream of, his emotions still extend far beyond the auto industry.

**JOHN DALY and NIGEL DALY in New York City**



American automobile sales are starting to recover after a four-year slump. But all through that slump the Big Three domestic vehicle manufacturers—General Motors, Ford and Chrysler—have been closing their own costly parts departments and contracting the work to outside suppliers such as Magna. As well, the expansion that Magna launched with its heavy borrowing in the 1980s has left it with more up-to-date and efficient plants than many of its competitors. Magna also added more sophisticated product line. Analyst Dennis DesRoches, president of Toronto-based DesRoches Automotive Research Inc., said that a key turning point for Magna was winning the contract in 1990 to build the seats for Chrysler's popular Magic Motors minivans, built in Windsor, Ont. Before that, says DesRoches, Magna was producing seats for many other and a plant in Quebec was producing seat levers, bumpers and other single parts.

However, even though Magna is growing once again, Strosach warns that Canada may reap few of the benefits from that expansion. The company operates 45 plants in Canada,

**OUR NISSANS COME WITH AN OPTION OTHER CAR RENTAL COMPANIES DON'T OFFER. AVAILABILITY.**

Featured here are the 1994 Nissan Maxima and Pathfinder. Nissan also has a great selection of GM, Ford and Chrysler.

You're in for a long, long wait if you'd like to rent the new 1994 Maxima or Pathfinder from one of our competitors. Because they simply don't have them. And these are just two of the exciting new vehicles Tilden is making available in their continuing effort to bring you more of the cars you want to drive.

For reservations call 1-800-387-4747

**TILDEN** rental

Drive something better.

# A suitor from China

Cape Breton's struggling steel mill is sold

The deal was hatched in desperation. On Oct. 33, 1993, when British steel giant Dorman Steel & Coal Co. announced that it was closing its money-losing mill in Sydney, N.S., the provincial government and several "investor-chefs" later swept the antiquated plant and a new owner could be found. Since then, keeping that mill "temporarily" afloat has bedevilled successive administrations and has cost Nova Scotia taxpayers more than \$2 billion. Only last week—nearly 26 years after Sydney Steel Corp. (SSC) became a Crown corporation—did Nova Scotia's Liberal government announce a tentative deal to refuel the beleaguered company on a foreign owner, Beijing-based China Minmetals Group. "Our future is more secure today than in any period it's been in the past 30 years," Syco's acting chairman Joe Shannon declared. But the deal with which the Nova Scotia government hopes to finally rid itself of Syco looks much like the act of desperation that plagued the province into ownership in the first place.

All the same, John Savage's Liberal government had reason to sound upbeat last week. Even though the plant has reduced its workforce from 4,000 to 700 since 1987 and demand for its steel-rail products has slumped, absorbing Syco would be no more judicially palatable today than it was then. Not, the confidential deal allows the somewhat old Liberal government to rid itself of a financial and political shakedown that, for many Canadians, has come to symbolize the ills of using government money to create jobs, by perpetuating failing industries. "It just doesn't work," explained Toronto stockbroker analyst Jay Gordon, referring to government involvement in the private sector. "The whole thing [Syco] should have been shut down 26 years ago."

Still, the Nova Scotia government will pay quite a price for its freedom. The previous Tory government, led by Donald Cameron, took stock of the situation in January 1992 and announced that it would no longer pump money into Syco, which lost \$20 million in 1990-1991. The haul to find a buyer was as flat as the search, not surprisingly, was disappointing. A former company director told Maclean's that Syco's dismal balance sheet scared all most suits. So did the depressed global

market for steel rails and the inability to attract talented management to such a remote location in blue-collar Sydney, on eastern Cape Breton.

However, China Minmetals, a huge steel trader on the lookout for a new steel mill, seemed to be a special case. For starters, Minmetals has a specific market for rail ties



Worker at the Syco mill: buying a Chinese steel market and government guarantees

in China, where a railway construction boom is currently under way. "The problem with Sydney Steel is that they didn't have enough orders," says the Shanghai vice-president of Toronto-based Minmetals Canada Inc. "We can help to get more orders." Regularly after was the fact that the Liberal government, which took power from Cameron's Tories in May, was apparently keen on making a sale at any price.

The deal that they ultimately struck is clearly attractive to the Chinese buyers. Under the tentative pact, which is slated to be finalized by Mar. 30, Minmetals and the province will run the mill together for three years. After that, the Chinese firm will pay \$30 million for a facility with an estimated market value in the range of \$450 million. The province, furthermore, assumes an estimated \$300 million in Syco debt, as well as a host of other costs—including employee pensions and environmental cleanup work at

the Sydney site. That bill could run as high as \$500 million.

If the deal proceeds on schedule, Syco's future seems more solid—although not, perhaps, for long. The mill, which is expected to make a small profit this year, will be shut down if losses top \$30 million over the next three years. And Gordon notes that Chinese steel firms are not overly so forthcoming regarding their foreign mills and shipping in to China. However, Minmetals is already talking to other provinces, including New Brunswick about investing in other Canadian businesses. Furthermore, the loss of about the \$200 million that China pays has involved in Canada in such large-scale projects as the China International Trade

# Family Violence

It really hits home



She's nine years old and already she's learned that love hurts.



Family Violence  
It really hits home

Marcel McQueen Ferguson Foundation Inc.

Donation Form

Charitable Registration  
No. 922375781

Campaign Headquarters: 208 South Gwyn, University of New Brunswick,  
P.O. Box 4480 Fredericton, N.B. E3B 5A3 Tel: (506) 453-5085

Name  Mr. ☐ Mrs. ☐ Miss ☐ Ms. ☐ Dr. ☐ Rev.

Address

City  Prov.  Postal

Phone (  )

Donor's Signature

Thank you for your help. Joining together for answers.

I wish to make a donation of  
☐ \$50 ☐ \$100 ☐ \$250 ☐ \$500 ☐ Other \$   
to the Marcel McQueen Ferguson Foundation  
in support of the Centre for Family Violence Research

My ☐ cheque or ☐ money order is enclosed.  
Or, please bill my donation to my  
☐ Mastercard ☐ Visa

Card No.   
Expiry (MM/YY)

Cardholder's name (as it appears on the card)

For better identification, please fill in your other contact information (if applicable)  
to support the information for the Marcel McQueen Ferguson Foundation for  
Family Violence Research to include a postal or e-mail address (if applicable)

JURIN BROOKS in Sydney with  
BRENDA DALGLEISH in Toronto



# Why small business will get priority

BY PETER C. NEWMAN

He didn't make it into the cabinet's front row, but Doug Peters, appointed secretary of state (senior financial institutions), will be influencing the Clinton government beyond the terms of his portfolio. The only government economist and former senior banker in the new administration, Peters was a key adviser in formulating the liberal platform and is an ambassador of small business to the Clinton government.

A graduate of Queen's University and the University of Pennsylvania Wharton School of Finance, Peters spent 23 years with the Toronto-Dominion Bank as its chief economist. "Others like to make more of a commitment to small business," he told me shortly before assuming office. "It's easy for government to deal with big business, because there're both large and talk the same language. But small business is the bread and butter of the economy."

So weeks before the election, Peters held an open forum attended by Jim Chelmsford, small entrepreneur in the Toronto-area oil-shedding (Schorloghous) band. He recalls a forum complaining about how out-of-work construction workers don't buy roses for their girlfriends and how much time and trouble she has dealing with the GST. Listening to this and other debates, Peters became convinced that while Ottawa could set down policy guidelines and help in some specific ways, actual financial assistance would have to come through the banks. "We can duplicate the facilities of the more than 6,000 bank branches across the country," he says. "What we have to do is convince the bankers about the importance of small business, and how they can operate more profitably in what's a new era for them."

Before moving into the TD Bank's executive offices, Peters spent 20 years working in the Bank of Montreal's branch network, so he's familiar with how loans are approved—and vetoed—at the local level. "Branch man-

*"We must attain some innovative ways of getting the financing to those kinds of businesses. It's got to be done."*

agers are frightened to death right now of losing bad loans on their books," Peters explains. "They know they'll be severely chastised by regional division heads and head office—even though the same branch managers people made those loans and their mistakes. And so good branch managers are terrified of making new loans to smaller enterprises. That attitude has to change."

Giving the government-owned Federal Business Development Bank, originally set up to be Canada's financial institution of last resort, more scope and money might be part of the answer. But Peters prefers alternative approaches. He would like to see much more university research directed to small business issues and wants Ottawa to ramp up export development credit facilities to compete with American counterparts. Peters is no layman about how the government can go about telling the banks what to do. Still, he sees nothing wrong with using moral suasion by Ottawa to persuade the banks that financing small business is a key part of their mandate, and even telling them how this can best be achieved. He suggested a shift of attitudes in the mid-1990s when a key group of (national) leading officers persuaded the TD to become

the first North American bank to finance its financing assets, which didn't carry also added security requirements. "Maybe the Bank Act will have to be changed," Peters agrees. "We must work things out with the banks and develop some innovative ways of getting the financing to those kinds of businesses. It's got to be done."

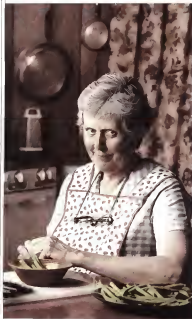
The other reason, Peters fully supports Clinton's infrastructure program, providing that it's intended to build roads and airports, not to create a new generation of rate-of-return projects, which was the total growth of the economy in 1992. "If you're in a deep pit, you don't want to keep digging yourself deeper," he says. "You have to do something positive to start climbing out of it."

While he is worried as any economist about Canada's debt crisis, unlike most of them, he blames misguided federal monetary policies during the Mulroney years for a good part of the trouble. Peters estimates that less than 10 per cent of the deficit is caused by social programs, while fully half is accounted for by revenue shortfalls and an other 20 per cent by interest rates that kept artificially high by the Bank of Canada. He estimates that we could have saved \$6 billion last year in interest payments if we kept rates away from what has been as low as in the United States. "Do you know any government program you'd like to cut that would give you to believe?" he demands rhetorically. "Monetary policy is a function of the government in power; it is not exclusively up to the Bank of Canada. For the last four years of the Mulroney government, Canadian interest rates were twice to six percentage points higher than in the United States. What's of concern right now is not building reliance down to zero, but our balance of payments deficit lack of economic growth and credit problems."

Peters condemns the simplistic Reform Party promise to eliminate the federal deficit within three years, providing that such drastic surgery would cost half a trillion jobs, cut something the national unemployment rate to a third (15 per cent). Having been part of it, not at his grandfather's, he has few illusions about Canada's present state of the job market and the government were to move against the deficit as quickly as Preston Manning is demanding.

Although Peters has been a mild nationalist on some occasions, he doesn't believe the continental clock can be turned back, though he would like to see our debt within the American economic, social and cultural orbit slowed. He doesn't believe that the former Foreign Investment Review Agency can be revived, but hopes that the new government will do things differently. "The Tories," he says, "would sell anything. A lot of Liberals are going to demand that foreign investment at least has to be looked at, but it's got to be in Canada's interest. We're in a race to prevent some government assets, but I see others think the Mulroney government sold off everything except the Parliament building."

## Why your mother would prefer you to fly Qantas.



Bless her heart, she only wants you to have the best.

Oh, and of course, to use some of the thousands of frequent flyer miles that you can earn on Qantas to come home and visit her once in a while. (Fly Qantas to Australia or the South Pacific, and you can earn mileage with Canadian Airlines International, Alaska, or American Airlines; or with our own program!)

It makes her happy to know that we'll spoil you the way she used to do.

We've been around since she was a little girl. Yet our fleet is one of the youngest in the air. And we offer convenient scheduling through Toronto, Vancouver, Los Angeles, San Francisco, or Honolulu to and throughout Australia, as well as Tahiti, Fiji, and New Zealand.

After all that she's done for you, it's really too much to ask for you to fly an airline that offers so much!

For more details, call your travel agent or Qantas at 1-800-227-4500. And give your mother a call sometime, too. She'd like that.

**QANTAS**  
THE AUSTRALIAN AIRLINE

# MR. SMITH GOES TO WAR

An award-winning director is scoring some big victories



Smith's deeply compassionate stance at everything he does

BY BRIAN D. JOHNSON

Navigating his way through the Orwellian maze of the CBC's new Toronto headquarters, director John M. Smith had a lot to think about. He was on his way to a movie studio where sound effects were putting the finishing touches on his motion picture *Second World War* epic *Dieppe* (due to air on the CBC on Jan. 2 and 9). As he walked, he talked about the "nightmare" that an inspection might block the CBC's new sound attempts to broadcast nationally *The Boys of St. Vincent*. His award-winning drama about sexual abuse at a children's orphanage in Newfoundland. To the east, an Ontario judge ruled against the injection of lowering the film to air on Dec. 3 and 6. But that was not all Smith had to deal with on this dreary afternoon last week. His wife was arriving from Vancouver, where she had just attended her father's funeral. The next day, Smith would appear in court for *The Boys*, then fly to Los Angeles. There he would confirm details of his next season with executives from Disney's Hollywood Pictures—and meet with the woman who has agreed to star with: Michelle Pfeiffer.

Smith's career is taking off in spectacular fashion. But as far as all the connections, the Montreal-based director is perhaps remarkably calm, patient and cool-headed—qualities that two help explain why, after a 25-year career at director's elbow, he is finally emerging as one of Canada's most respected filmmakers. In an industry notorious for style, Smith seems content to just be making movies that matter. "I have a deeply compassionate vision that he builds into everything he does," says CBC chairman Patrick Watson, who first worked with Smith in the late 1980s and remains a close friend. Smith comes across as "a tolerant, inclusive person who doesn't generalise himself as a busy director," observes Watson. "And what this low-key demeanor was revealing from a lot of us was obviously the development of a major artistic sensibility."

With *The Boys of St. Vincent*, that talent has been discovered by Hollywood. But the 50-year-old director, who recently took early retirement from the National Film Board (NFB) after 20 years on staff, has spent his time in the trenches. In 1989 while working for CBC TV, he became the first Canadian journalist to be jailed for protecting his sources. At 19, he was a TV intern who, Smith had completed with a coauthor of the infamous *Front de libération du Québec* (FLQ). "The anti-terrorist squad



charged to my hotel room and threatened to beat the truth out of me," he recalls. "I was hauled into court. The CBC ordered me to testify and I refused." The experience never died. And Smith scored a one-week prison term for contempt of court.

He does not look much like a firebrand. Dressed in worn blue jeans, a turtleneck and a dark navy sweater, Smith is relaxed and soft-spoken. But he has an air of quiet authority about him: a deliberate focus that seems defined by penetrating blue eyes—and a sense of urgency. Now, 24 years after choosing to go to jail for his principles, he says, "I'm still trying to get stuff on the air." Last December, an inspection, under appeal in the Supreme Court of Canada, prevented viewers in Ontario and parts of Quebec from seeing *The Boys of St. Vincent*. A judge ruled that the drama, though sensitive, could reflect on an ongoing abuse trial of Christian Brothers, the Roman Catholic order that ran many schools for boys in Ontario. Last week's inspection request related to new show charges. When it was denied, Smith said he was "deliciously happy." He's been waiting a year for this message.

Though, meanwhile, could plague him (as yet another controversy). It is a two-part drama about the disastrous 1942 raid on French soil in which 3,303 of 4,903 Canadian troops were killed, wounded or cap-

**Boys of Dieppe: Lifting the benches, they had an anniversary since someone was waiting for them**

tured. Portraying both the battlefield tragedy and the back-home misadventures that led up to it, the film blames the fiasco on military leaders blinded by political ambitions. Says Smith, "It raises the question that *The War and the Women* raised: just because you're on the winning side, does that make you morally superior?" The *Yellow and the Brown*. Last year's CBC documentary series about the Second World War, which the network is later re-airing. "It's been quite something to be making *Dieppe* in this atmosphere," the director adds. "There is an unfulfilled thrill. We in this country seem to be strongly averse of historical controversy. But it's tremendously important for each generation to tell the history as it was."

After a career of making intimate, small-scale dramas, *Dieppe* marks a departure for Smith. "It was the scope of it that attracted me," he says. "It's fascinating to work on a large canvas." Armed with a meticulously researched script by playwright John Kinsman (Toronto), Smith has shelled a strong cast, including Kenneth Welsh, Gary Reeser and Joan Newell. Vice Admiral Lord Louis Mountbatten, portrayed as a British opportunist by Victor Garber, is the chief villain of the *Dieppe*'s epilogue, glorifying the slaughter as a valuable lesson that saved lives in the long run. "Mountbatten and his huge department put on a massive and continuous 20-year propaganda barrage," says Smith, "with the idea that this was the rehearsal for the real thing."

*Dieppe* does, however, challenge the conventional wisdom that Canadian war vets just suffered silently, longed for by British superiors. In the film, Canadian commanding officers Harry Crerar (Welsh), Andrew McNamara (Peter Dinklage) and Harold Roberts (Reid) are all blamed for surviving. "It was only the Canadians campaigning that got them the job," says Smith, "the way, one of the amazing things is to bring the responsibility back home."

The story's back characters are the young troops who are sent to slaughter—the boys of *Dieppe* were no power to us as the boys of St. Vincent. *Dieppe* veterans served as advisors on the film, says Smith, "and so many of them told us when they first these benches, they had an overwhelming sense that someone knew they were coming. It was an intense, strong line." Smith adds, "We're not trying to be afraid the war was never of any of the veterans. We are saying they were some in a little piece."

Mounting a \$5 million movie series with a large cast was a kind of military operation in its own right. For the battle scenes, filmed on the beaches of Lake Ontario near Pickering, Smith's crew mobilized from June 1989 to January 1990. Says he of it: Making *Dieppe* was much easier than *The Boys of St. Vincent*. But Smith's is no exception.

With *Boys*, the difficulty was emotional. Covering with Des Walsh and Sam Goss, Smith found the process became painfully personal. "In creating the characters," he explains, "you have to become the boy and become the abuse. And I got very, very deeply involved with individuals whose lives had been personally scarred by these things. These were times when Cynthia [his wife] would say, 'What are you doing to yourself? And my own answer would be, 'I hope when you see the film you'll feel it was justified.'"

Although he was never sexually abused, says the director, *The Boys* brought the pain of his own childhood to the surface. John Webster Newton Smith grew up in Montreal, the second of three sons born to a Jewish mother, Margie, and a Presbyterian father, MacGill Smith. He was a country boy with a love for X-ray technicians. When Smith was 13, his father slipped on the stone steps of his house, fracturing his skull. He fell into a coma and never came out of it. "I was devastated," Smith recalls. "Childhood stopped

at that point." In making *The Day*, he says, "There was something about the private pain [of abuse victims] that I felt. It was a deeply resonating childhood pain that I could identify with."

Devoting his youth to hockey and football, Smith was an exceptional student. But in his final year of high school, his mother threatened to pack him off to military college if he did not win a scholarship to McGill University—"so I punched and staged a hard" winning the scholarship. Smith turned down offers to play football in the Maritimes and U.S. college hockey. "It was a turning point," he says. "I reached the end of my obsession with competitive sports. It happened one day in a football stadium. I excused out my blocking assignment. The gas I blocked was carried all on a stretcher. Somehow that was the epiphany—I felt I was coming out of a cloud."

At McGill, Smith earned a BA and spent two years as a graduate student studying political philosophy. There, he met his first wife, Eleanor, marrying her in 1996, and their current apartment became a screening room for the McGill Film Society. On campus, Smith also became concerned in relief politics. After leaving as a co-ordinator of the administration in 1987, he persuaded the CBC to let him make a TV program about the victims' point of view. "I went through the flow of many experiences with practitioners who were upset with control

and wanted to change it," he recalls. "But it went on the air with a balancing discussion at the end, and I was completely booked. I said, 'This is what I want to do with my life.'"

In 1988, Smith landed a job at Toronto as a researcher with *The Day It Is*, a local CBC current affairs program, and its network counterpart. *The Day It Is* branching out into editing and producing, he was instead economy by denying his employer and the courts over the TV interview. "It happened to let the CBC to its most painful year ever," he says. "It seemed everything I did caused people to become very nervous." Smith's feud with his bosses peaked after they refused to run an interview in which then-Secretary of State Gerard Maloney argued that the CBC should never under a journalist to give up his sources. Smith and Watson, who hosted the interview, threatened to quit. Their bosses called both men on the carpet and gave them a stern reprimand. "Patrick and I looked at each other in astonishment and grinned," recalls Smith, "then we slipped each other as the wire."

Smith and Watson took their talents to New York City, where they created a PBS series called *The Sixt State* winning an Emmy for it in 1997. Smith's greatest news offers from the U.S. networks. But, intent on moving from TV to film, he took a job at the NBC. He cut his teeth on short films including the Oscar-nominated *River Water* (1991). Then,



turning to feature, he produced a film of "alternative drama," which used nonprofessional actors, improvised dialogue and dense poetry language. In 1996, Smith won a chance for *Sitting in Limbo*, an affecting tale of West Indian immigrants in Montreal. He followed it with the award-winning *Travis* of

*Debris* (1997), a gritty portrait of a parolee delinquent. *Travis* is *Witness* in Canada (1998). Smith dominated the film festival of a last-kind of Tamil reprints in *Newsworld* in 1998.

At the 1998 Smith met his second wife, director Cynthia Scott. (They have one son,

**The Boys of St. Vincent** immediately released these films were personally scored

April 16, he has two other sons, 21 and 26, from his first marriage, which ended as it were.) Scott, meanwhile, has made her own mark with alternative drama, winning international acclaim for *The Company of Men* (1996). "His tremendously lightbulb being carried to a limelight," says Smith. "We are very comfortable for each other. And we're both passionately involved in our work. We do not leave our films at the office."

But Smith's emergence as an artist, not all the flag of journalism, has been gradual. "I never grew up with the idea that I was a creative person," he says. "For all my years in the film industry, I just considered myself a working mechanic kind of person, and that's what I was. I was slowing my internal time to local life to express itself."

With *The Boys of St. Vincent*, the connection between film and Smith's earlier film, it is a script of a person with professional scars. But the scars between the abusive Brother Lavin (Henry Campbell) and the psychiatrist, Pierre Gauthier. Even in the scripted scenes, Smith looks for the unexpected, says Carrey. "The story directors try to control what's going to happen in a scene," he says. "John sets up the situation where everybody is expecting something to happen and nobody knows what."

Discovered at the Toronto Film Festival in Colorado last year, *The Boys* became a sensation in Hollywood. It put Carrey on the map, he is now shooting a new *Teen* Chucky thriller. *Clear and Present Danger*, an Harrison Ford's co-star. And Smith, who was dragged with scripts, chose a drama called *My Heart Goes to the Mountains* based on a true story about a white woman teaching black and Hispanic. After meeting *The Boys* and getting in a director, Carrey agreed to work with him. Shooting is due to begin in February.

Despite the lure of Hollywood, Smith says he does not want to abandon Canada. He has two local projects in development, *Love and Strangers*, an observant love story set in Newfoundland, and *Skins and Stones* based on the story of a boxer child that a woman told to him after a strong *The Day*. Meanwhile, he worries about Canadian content.

"It's absolutely essential the way the Film Board has been cut," he says. "Our cultural institutions would not exist without public funding. How else do we even against the tide of exactly what I'm going to do-work in Hollywood—which is trampling creative film expression all over the world?"

Last week, Smith was hailed up in Beverly Hills, taking deliveries in Hollywood, they play the kind of handball that will make his car, trails like his slow-pitch. But John M. Smith has won the high ground, and is seeking victory on his own terms. □



**In this era of fiscal restraint, tight budgets and doing without, is it necessary to deprive your senses?**

Consider Buick Regal. A spirited V6 engine provides a sense of power. An air bag and 24-hour roadside assistance provides a strong sense of security. Your sense of comfort is enhanced by individual driver and front passenger climate settings. And all wheel ABS assures an unopposed sense of being in control. Lastly, reflect that reports like Caron cast this road more and the Buick Regal rich rewards your common sense.™



**BUICK REGAL**  
A NEW SYMBOL FOR QUALITY

# Banned parenthood

*A commission tries to rein in reproduction*

In September, 1987, a 30-year-old woman named Karen gave birth to a baby girl in Simsbury, "Editor I asked 12 hours, but I was expecting that." Karen needed. It was an altogether normal birth—except for the fact that three days later she handed over the baby to a couple from New York City. A year and a half later, Karen, the wife of a Swedish-born banker who asked that her full name not be revealed, had signed a contract in New York in which she agreed to be artificially inseminated with sperm from the American husband, whose wife was unable to have a baby. In return for bearing a child for the couple, Karen was paid \$15,000. "It was never my baby," said Karen. "I felt as if I was looking after someone else's baby for nine months."



Freezing spermatozoa of a Toronto sperm bank—restraints

Karen and her husband have four boys of their own, aged nine to 18, and she only decided to become a surrogate mother in a desperate attempt to save the deeply troubled family unit. (They lost a son.) Though there are no statistics, scores and perhaps hundreds of Canadian women act as surrogate mothers each year for couples who are unable to have children. Now a report by the Royal Commission on New Reproductive Technologies, published last week, has proposed measures aimed at stamping out surrogacy. Doctors would be forbidden from knowingly taking part in surrogacy arrangements, and anyone who arranges surrogacy motherhood agreements could face criminal charges. The proposals flowed from the commission's conclusion that profit should not be involved in the conceiving and bearing of children. As well, added the report, surrogacy motherhood is "offensive to the human dignity of the child."

The 137-page report, which took four years to complete and cost \$25.2 million, proposed sweeping changes in the use of nearly all the medical technologies that help women to have babies. The five-member commission, led by Patricia Benoit, a Vancouver obstetrician and professor, agreed Ottawa to set up a National Reproductive Technologies Commission with the authority to supervise and control many aspects of reproductive

medicine and research. Only government-funded clinics licensed by the commission would be allowed to carry out in vitro fertilization (IVF) and most other procedures involving reproductive technologies—a proposal that would put private clinics across the country out of business. Among the proposals:

- Only women with blocked fallopian tubes would be allowed to receive in vitro fertilization, in which eggs from a woman's ovaries are fertilized in a laboratory and a pre-conceptus is placed in the woman's uterus. Under the proposal, women suffering from endometriosis—a condition that can affect the fallopian tubes and ovaries—would be allowed to receive IVF, except in clinical trials.

- Prenatal diagnostic techniques, including amniocentesis and ultrasound, which can reveal information about an unborn baby—including its sex—could only be administered in cases where there is a specific medical

reason. The aim to prevent parents who want a baby of a particular sex from resorting to abortion when the fetus is found to be the other sex. The commission did not recommend a prohibition on abortions when prenatal testing for medical reasons reveals serious chromosomal

- Sex-selective laserization, in which sperm for use in artificial insemination is treated by a laboratory to increase the chances of a male or female baby being conceived, would be banned. Two private clinics in Toronto currently offer the services.

As well, the commission recommended that IVF for women with blocked fallopian tubes be covered under provincial medical programs (at present, Ontario is the only province in which IVF is covered by medical insurance) and that lesbians and single women be eligible to another series of recommendations. The commission proposed that the cloning of embryos and genetic research aimed at improving intelligence or altering other human characteristics be banned.

Women's organizations, which had earlier expressed fears that the commission would favor technology over social concerns, largely applauded the report's restrictive proposals. But some critics, including doctors, said that in human terms the effects would be painful; some women would simply be prevented from having babies. As well, some doctors questioned the need to set up a costly federal bureaucracy to regulate the practices of local and provincial medical bodies. Health Minister Diane Marston, appointed to her post last year from Minister Jean Chrétien's less than a month earlier, said that she agreed with many of the commission's recommendations—but added that she would have to consult with the provinces and the public before deciding what to do.

As a surrogacy mother, Karen says that she can understand why the commission recommended a ban on surrogacy. "It's a lot easier to make it illegal," she said, "than to deal with the problems that can arise" when surrogate mothers decide that they want to keep the babies they bore. Laws forbidding surrogacy, she added, would be unenforceable—"There are ways to get around them." In fact, none of the commission's proposals raised the prospect of Canadians resorting to backstreet operators or fleeing to clinics in the United States to avoid themselves of the medical technologies that, for many couples, have become an essential part of childbearing.

MARK NICHOLS and  
SHANNON DOYLE DREHGER

# ANOTHER WORLD AWAITS



A World of Distractions. A World of Dreamers. A World of Dreamers.

Your Club Med vacation provides sheer fun. Village accommodations, a gourmet menu in day with unlimited wine and beer at lunch and dinner, a complete sports program with all the equipment



and professional instruction, a diverse range of night, entertainment including cabaret shows and discos.

For more information or reservations call your travel agent or Club Med in Quebec, call 1-800-365-6600. Alternatively in Canada, call 1-800-268-1100.

## Shuttle to the Hubble

When the United States launched the Hubble Space Telescope into Earth orbit in April, 1990, scientists hoped that the \$2-billion instrument would provide clues to some of the most baffling mysteries of the universe. But within months the Hubble crew had be-

*NASA's future  
may depend on  
the success of  
the mission*

sion. Installing cocaine promised to be the most critical—and excruciatingly unprofitable—part of the mission. “I plan to have plenty of Galaxys on hand,” said Senator Barbara Mikulski, the Maryland Democrat who is chairman of the Senate appropriations committee, which oversees NASA’s budget.

In another tricky task, an estimated stored  
out on the Canadian was shown to remove a

off more space for the accessible lanes.<sup>4</sup>

The 11-day mission will likely turn out to be the most challenging in the 25-year history of the shuttle program. By late last week, the astronauts—and by payload commander Story Musgrave, 58, had already used the Canadian-built Shuttle Remote Manipulator System.

60-ft. wide-field camera from the Hubble and replace it with a newer model. As we see, the Endeavour's crew planned to try to replace other malfunctioning parts of the telescope, including badly solar-panelled from which the Hubble draws power. Another chance was to install replacements for three of the six gyroscopes that allow ground controllers to point the telescope so that it can make accurate observations. As Endeavour



Rebecchino of Johnson Space Center responds

astronomers shot into space, scientists around the world were watching anxiously, "hoping for wonderful results and significant gains," said John Caldwell, an astronomer at the Toronto-based Institute for Space and Terrestrial Science. Edward Weiler, chief Hubble scientist at NASA's headquarters in Washington, said he felt "confident but concerned."

[illegible]

low-space station that would go in early in the next century—enabling mission a half century after “Boeing on the shoulders of the tree trunk,” said Muskalev. “This is the first NASA needs to turn the corner on.”

looking like blurry images because of a flaw in the primary mirror, which had been polished too flat by an amount equal to one-fiftieth of the width of a human hair. As a result, the mirror was not concentrating light as it should. Despite the flaw, the telescope has been able to provide astronomical images with some subtle images including indirect information pointing to the existence of black holes in neighboring galaxies. But so far, it has been unable to effectively carry out some of its major tasks, such as searching for distant planetary systems or finding evidence that would help to determine whether or not the universe is expanding faster than it was thought to be. The mission was successful, the first corrected image of the moon taken by the Hubble telescope would be imagined early in 2006.

Preparations for their cosmic mission, Edwards' astronauts spend more than 100 hours practicing in underwater tanks at the Johnson Space Center in Houston, simulating the weightlessness of space. Talking to reporters before Endeavour's launch, Mission Specialist confident despite the length of the mission before him. An astronaut since 1987 and a veteran of four previous missions in space, he said that while working on the Shuttle he planned to take a vacation, even though they're working, to only step on his tracks and look at Earth or whatever out there. And, Frank, what all of this is about? For Edwards, it's all about to answer—of the sense of life, cosmic stuff.

WILLIAM LOWMYER is Washington



## IT'S ALIVE

The image is as sharp as an eagle's eye. The sound, as enveloping as the desert heat. The Toshiba Canesta Series of Intelligent Surrounds blending images and even more startling reactions. An unprecedented imaging system brings the superior picture. Our original sound system will perk up your ears and curl the carpet. And you can alter the sound to complement your mood. Choose from 100% natural sound, night club, theatre or orchestra. Or you can even alter the sound to suit your own tastes. It's the new Canesta Series. The new sound of the future. It's here now.

In Touch with Tomorrow

# TOSHIBA

CINEMA SERIES

Twitter, LinkedIn, Facebook, YouTube, Instagram, and other social media platforms are not affiliated with or endorsed by the University of California. The University of California is not responsible for the content or opinions expressed on these platforms. The University of California is not responsible for the content or opinions expressed on these platforms. The University of California is not responsible for the content or opinions expressed on these platforms.



**B**lack eyes. Broken bones. Battered nerves. The effects of violence against women are real and horrendous and can no longer be dismissed. Last July, a federal panel released a \$10-million study that concluded that the problem had reached "unlike proportions." And last month, a \$1.5-million survey by Statistics Canada—the country's most comprehensive ever on the subject—found that more than half of all Canadian women had been locked, choked or otherwise assaulted in their adult lives. Or those not married or in a common-law relationship, 99 per cent reported violence by a partner. Predictably, some critics were quick to quibble with the numbers. But there is no denying the essential cardiovascular violence, or the threat of it, is part of women's lives in Canada and in the majority of cases the perpetrator is not some stranger in a dark alley but a man the victim knows—often intimately.

The violence spans age and education, race and region. But to paint a portrait of a problem still cloaked in secrecy and shame, *Maxim's* Associate Editor Susan Gordy, along with photographers Jeff Sporn and Chris Schwaiblmair, recently visited with battered women in southern Ontario. From the wife of a wealthy East Indian entrepreneur to a rural Saskatchewan-born housewife, the sense of fear remained pervasive. "You get too scared to speak up," says one woman, who separated from her husband after he kicked her hard on their kitchen stove. "When you finally admit to the abuse, you feel like a failure."

For some women, there seems to be few ways to escape. They feel betrayed by police who, they say, often treat domestic violence as a minor issue. They emerge from years of abuse with low self-esteem and, in many cases, few job skills to make it on their own. Sometimes they live to a battered woman's shelter, often with small children in tow. "Our clients are hiding from dangerous men," says a counsellor at Inland House, a Toronto shelter for battered mothers and their children. "We have bulletproof glass, one-way mirrors and bars on the windows. There is a video monitor at every door. If people call, we just take a message and refuse to tell them who is calling them. We try to make sure that this is a safe place."

In many cases, shelters prove to be stepping stones to better lives. They offer counselling, a safe haven and the chance to share experiences with other abused women. They offer hope. But leaving a relationship, however violent, is not always easy. Once a woman moves out of the shelter, she must be pursued by her abusive abuser or even go back with him to try to work things out. Or else the cycle goes. "The problem is, I love this guy," says one woman, still shaking three days after leaving her partner. "In between the attacks, he can be a very loving man. I keep hoping he will change."

# THE STORIES BEHIND THE SCARS



## Lori:

"I sleep with a butcher's knife by my bed. I've used it a few times to weed him off in the past. I also keep a shock that gives me something to hit with. I took him to court last year, after he pinned me to the bed and kept punching my head. He was convicted of assault. All I asked was that he see a therapist as part of his probation, but we continued the relationship. When he threw me around again, he was just fined \$50 for breach of probation. That was a cheap assault. Two weeks ago, he got really violent and I called the police to kick him out."

"But I grew up with a lot of abuse and violence. I learned to accept it, so I was prone to being abused in my life. It simply happened to women. I didn't question it. Now I know that violence does not happen because women are stupid. It is stupid men who commit it. That is where the blame should lie."

## 'BETWEEN ATTACKS, HE CAN BE A VERY LOVING MAN'



**Wilma:**  
"The abuse was kind of like coming home from work and locking Puffy [his Puffy] in."



### Gail:

"He would punch me so hard that I needed stitches in my mouth. Another time, he hit me on the head with a coffee table I was taken to hospital. Once, when I came home from work, my son was covered in bruises. He had been beaten with a brass board. When I went to get help after another beating, he grabbed my son and held him hostage with a .303 rifle. Finally, the police said to jail for assault causing bodily harm."

"My son and I went through years of therapy to cope with this. Women minimize the amount of pain that boy children go through. That's why they are at risk of becoming abusers. There is very little help for boys who have been abused. My husband was abused as a child. My son feared abuse. We used to find a way to help men heal, not just women. Otherwise, the pattern might continue."

**Melissa:** serving a six-year sentence for manslaughter in the Kingston Prison for Women.

"During our four-year relationship, things got progressively more abusive. He once held a loaded handgun to my head. After the police seized his gun, he would hold a knife instead. On one occasion, he put my head through a wall. When the police came, they pulled my head out of the wall and took him aside to talk. After they left, he would always beat me again. I called the police over and over but they only took him to jail twice."

"On March 20, he finished serving three months in jail. I was in hiding, even though he had an order to stay away from me. On April 27, he found me

and abducted me at knife point. We went in my car to a logging area where he raped me and kept saying he would kill me. I just tried to keep him calm. At one point, he went behind the car to urinate. I went into the driver's seat and tried to drive away. The car was in the wrong gear. I swirled it away. I meant to go forward but backed up and hit something. Then I drove off to the police station. They found him dead in the woods."

"At first, I was charged with first-degree murder, then manslaughter. I pleaded not guilty the whole way through. I didn't mean to kill him. I just wanted to get out of there. Why am I being punished? He broke my bones, beat me, and my kidneys, soiled my body—and I'm now sitting in jail."

## How to indulge yourself with a new interior design.



It's simple. Put yourself behind the wheel of the '94 Eighty Eight Royale.

Notice the elegant sweep of the redesigned dash, forming a glare shield for the analogue gauges arrayed beneath. (Rotary climate control switches make fiddling to achieve the desired interior climate a thing of the past.)

Tilt the steering wheel to suit your preference. Stretch out, there's room. Allow the supple comfort of available leather to cradle you in a driver's seat which power adjusts six ways. Glory in the fullness of six-speaker sound as you're transported on a soft ride suspension.

And when we tell you that all this (and so much more) is available for much less than you might think, the indulgence of an Eighty Eight will quickly become a necessity.

**Eighty Eight**  
Demand better. Oldsmobile.



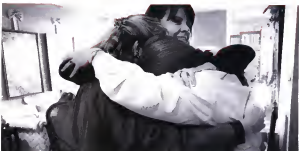
**John** who, as a child, watched his mother being abused.

"My mom went out with several kids when I was a kid. I was no more than four when I saw some guy pinch her. Later, I remember another guy pushing her down the stairs as she carried my baby brother. I just hid under my covers."

"I kept on for years and years. When I was 16, I came home to find her with a black eye and puffy face. Some old boyfriend had come back and was cussing in the kitchen. It became really pissed off with my mom. But I forgive her now. After I got my own life together, I could see how many problems she had. I'll never hurt somebody like that. I despise guys who hit women."



## 'HE BROKE MY BONES—YET I'M NOW SITTING IN JAIL.'



**The woman in white**, with friends.

"There were times when I could not walk as a little girl because I was so ripped and bleeding from being raped. My grandfather once watched while someone sexually abused me in a barn. The man said I could play with the bunnet and blouse if I sat on his lap. I was easy to penetrate at that point, because of previous abuse."

"I married at 19, going straight from my parents to my husband. I didn't even realize I had been abused at that point because I had blocked it all out. But maybe my husband sensed something. He could become very threatening and evil. He would

insult me and say that he was going to beat me. I remember running away from him a few times (scream: I was so scared).

"When I finally went to a psychiatrist, he put me on Valium and said that the abuse was my fault. When the memories started coming back, he would abuse and blame me. How can a three-year-old child seduce a 30-year-old man? The pain would literally be seeping from my bones to my skin and nobody cared."

"My marriage finally ended a few years ago. I've been celibate since the divorce. I feel like my body is really my own for the first time in my life."



## YES, THERE REALLY IS A SANTA CLAUS.

All it takes is a single delectable morsel of any one of our enchanting holiday indulgences to restore one's faith in the true magic of Christmas.

**GODIVA**  
Chocolate

Godiva Chocolates: Rockland Center (508) 738-3366 • Essex, Montreal, Essex, Canada (514) 254-8346 • Essex Place & Offices (508) 694-1301  
COLUMBIA, 1801 St. Catherine Street West (514) 842-7778 • Walpole, Fredericton (506) 498-6669 • London, New York, Ottawa (800) 338-3524

[illegible]

### Advantages

theater, high and low-income are expected indicators of audience decline for American Eagle's theater-oriented online presence. Another online concern is the fight to change bankruptcy program rules, especially to speed payments and speed access to pay, which would mean that the bankruptcy process will be much easier.

**American Airlines**  
*Something special in the air.*

## The other Canada

Douglas & McIntyre, 162 pages \$16.95

**F**or the long service that is paid as the poor as welfare, poverty is still very easy to see in a moral failing. Members of middle- or upper-class families who are descended from poor people seldom do not like to admit it. They tend to look down on the impoverished as inferior. On the Edge, Lindelle Tracey's book of interviews with poor Canadians, gives that attitude the thorough dismantling it deserves. The Toronto poet-memoirist spends months waiting upon people it all proceeds, recording her encounters with the poor. She captures their suffering—the times of bleak hopelessness, all health and hunger that she also pays tribute to their humor, resilience, and generosity. Without mistaking the poor, Tracey establishes that in cruel circumstances, people recover their sense of the humanity of being in their social horizons.

The great strength of *On The Edge* is Tracey's own personality. In an age in which the prevailing journalistic ethos insists on detachment, Tracey wears her formidable heart on her sleeve. In Montreal, she cradled a young street person in her arms while he

**In reports  
people,  
wears her  
heart on**

chance, feels better. "The real magic of good talk," she writes, "is what it does to the body: how it unlocks the shoulders, how the head and neck loosen."<sup>2</sup>

Tracy, who was raised by a single mother in Ottawa, discovered that attitudes to poverty varied from region to region. In Newfoundland, where a great proportion of the population is poor, it is not considered a great tragedy even down to their luck Newfoundlanders tend to own their own houses, and receive support from neighbours who themselves have little. The author met two outport fishermen, Carl and Malcolm, who typically supplement their fishing to come with unemployment insurance. It is

the long discussion. These are the sort of people who are criticized as to stainers. But anyone reading Tracy's account of their hard work on sea and land, their gentle dignity and their warm family life, will be a lot less inclined to condemn them.

In Nova Scotia, Truett found more fear of poverty than anywhere in the country—a phenomenon she blames on the province's welfare requirements, which perpetuate a distinction between the deserving and the undeserving poor. Yet even there she discovered people bearing the burden of poverty with grace. She talked to one handicapped couple, Sophie and Leo, who

*In reporting on poor people, the writer wears her formidable heart on her sleeve*

**Before take-off,  
call 1-800-COVER ME.**



© 2000 by The McGraw-Hill Companies, Inc. All rights reserved. Printed in the United States of America. This book is printed on acid-free paper.

**Immediate travel coverage from Ontario Blue Cross.**



If you want to see the future,  
look into a Macintosh.



Two years ago we introduced a computer that was actually easy to use. The Apple<sup>®</sup> Macintosh<sup>®</sup> computer. Today, with Apple II<sup>®</sup> Technologies, we've made it even easier. Now a computer like the new Macintosh<sup>®</sup> Quadra<sup>®</sup> will respond to your commands and integrate your phone, answering machine and fax into one very affordable system.

There's more. Advanced Macintosh technology can be yours for what you might expect to pay for a 486 PC clone. In fact, right now there are no-monthly payments for three modular and special low prices on a range of Macintosh computers with Apple printer combinations. For instance, the Macintosh Quadra 600 is packaged with the Personal LaserWriter™ 500 printer and selected productivity software.

So while it's not exactly a crystal ball, if you want to shed some light on how business will be conducted tomorrow, take a look at Microsoft today. It does more. It costs less. It's that simple. Visit a participating Authorized Apple Canada Dealer, and discover the power to be your best.

For the dealer nearest you, call 1-800-645-2775 ext. 291.



\*The names listed in the "SPECIAL" column are not complete lists of names who were interviewed. They are listed in order of the number of interviews conducted. Some of the people interviewed, but not listed, are in the "Other" column. The names listed in the "Other" column are not necessarily in order of the number of interviews conducted. The names listed in the "Other" column are not necessarily in order of the number of interviews conducted.

BOOKS

live in a cramped trailer. Sophie is nearly blind, as well as being deaf like her husband. They live mainly on disability cheques from the government. (She ran his own carpentry business and a bad back forced him into retirement.) Overweight, chain-smoking with each other in signs and tattoos, they are about as far from the contemporary middle-class ideal as it is possible to get. Yet Tracy, with her gift for conveying character, portrays two people in love whose robust mutual affection is utterly winning.

Wherever she went, Thirty-two dominated the poor apartment aristocracy about their lives. For even being late, maid were sent scurrying to make up men, and the phlegmatic maidens rebelled chafed (between these extremes) with part-time laundresses (these flitted work, one manning up through garbage bins for food and clothes) and the local court community (mostly New Yorkers) who sent a party to the willow hut, despite being less positive, spent more hours working for local charities. And at Whimsy, she ran across a young spirited old woman who has raised scores of children (both her own and foster children) and is now running a head bank with all the colorful details of a Mother Courage. Thirty-two admires the political movement yet finds differences the child and the woman, and she is not the one who she where it is most needed. The fact she herself was raised as such a feeling



### Transcriptome, proteinome and form

she recalls. "Yes, there are small wounds—a slight lowering of self-esteem, a nervousness about authority," she writes. "What I gained was moral clarity and generous child life. I see these truths in many young people."

are going, she could—in the brave new world of economic restructuring—be almost anybody's daughter.

JOURNAL OF DOCUMENTATION

**Before the sun,  
call 1-800-COVER ME.**



© 2006 by The Authors  
Journal compilation © 2006 by The Authors

**Immediate travel coverage from Ontario Blue Cross.**



CHIVAS REGAL

BLENDED SCOTCH WHISKY

12

AS LONG AS DELIGHTING  
SOMEONE ELSE IS ONE OF YOUR  
GREATEST DELIGHTS...

There will always be a  
CHIVAS REGAL.



## BOOKS

# Fight of the condor

*A writer travels from the Andes to the Outback*

HOME AND AWAY

By Ronald Wright  
(Knap/Canada, 280 pages, \$26)

The finest travel writers have as much to say about the art of living in exotic places. They often by exposing themselves to strangeness and even danger, they report on their experiences with a seductive condor



Many of the essays and articles in *Home and Away*, Ronald Wright's new travel collection, have that kind of magic. The 43-year-old author, based near Port Hope, Ont., is best known for his popular 1992 study of the colonization of the Americas, *Satanstoe Conquests*. But he is also one of the country's most seasoned and eloquent travellers. His earlier travel books, including *The Big Meadows* (1986) and *Taste Away the Night* (1989), share the same virtues that frequent

Wright: clear, supple prose and a sense of adventure

by writers. *Home and Away* clearly, supple prose and a palpable sense of human adventure in the face of foreign cultures.

In the book's opening piece, "The Captain's State," Wright recalls how he first got involved with two of the greatest passions of his life, travel and Latin America. In the late 1960s, he was at university in his native England, looking around for a thesis topic. He had a bad marriage. Graduating with a Cambridge archeology degree in 1969, he jumped at the chance to work on an international dig in Mexico. He travelled to that country on a budget, but he had a hard time. The house-sitter Mexican captain shared home movies to his

parents and crew, followed by reels of equally unexciting pornography.

The great charm of the story lies in Wright's ability to recreate the vivid experiences of his youth: the world is touched with the clear, unadorned wonder of things seen for the first time. He is particularly good at evoking the seamy side of life. As his youth did well, he made a new start. But on "Wright" that he could "find the best weather looking somewhere, hoping to make



## MEMOIRS

*R. Lewis*

"A rich broth of a book."

—Robert Lewis, *Master's*

"It is a remarkable biography, full of insight, a touch of humour and the slash of the siletto for former foes."

—Robert Fife, *The Toronto Sun*

"The bulk of the book is allocated to setting the political record straight, from the principal's point of view. It covers the ground effectively and, in the patented Trudeau manner, his arguments are marshalled like crack cavalry regiments...Quintessential Trudeau."

—Hubert Bauch, *Montreal Gazette*

"The book is vintage Trudeau: clearly and precisely written, consistently logical, driving to the essence of each matter he deals with...Although a highly private person, he has shared with his readers more of his own feelings and thoughts than ever before."

—Professor Dale Thomson, McGill University

The #1 Bestseller!

\$35.00 hardcover • 400 pages • 253 photos, 106 in full colour



McClelland & Stewart  
The Canadian Publishers



https://doi.org/10.1002/ajb.13602 about Jack Daniel's Whiskey, with as little as 1 cent per ounce. Tennessee: 100% is B. 4.

IT DOESN'T TAKE LONG to do your Christmas shopping in Lynchburg, Tennessee.

Every one of our stores can be found on the town square, so it doesn't take much walking, either. (Thus gentleman found everything he needed in Tommy Sullenger's place.) All of us at Jack Daniel Distillery hope you're getting to everyone on your list in timely fashion, and remind you that gift boxes of our rare Tennessee Whiskey are sure to please. Happy Holidays!

JACK DANIEL'S TENNESSEE WHISKEY



if you look at it as a tropical storm. The ocean looked as safe and serene as a desert."

After leaving Mexico, Wright came to Canada, where he founded a dictatorial program at the University of Canada. (Brody said that he was unfit for academic life, so he dropped out to work at a variety of jobs, including truck driver and farmer, while serving on the house tips.) One of his personally favorite descriptions was from *Pera* the subject of "Condo": "The piece describes a very odd kind of bullfight, staged by Peruvian native people in the Andes. The bull is opposed not by a matador, but by a cowboy, which is tied to the bull's back. While the bull tries to dislodge the manure, herd—they often have wingspan of 13 feet—the cowboy tries steps off the bull's back with its hooked head.

In the hands of a lesser writer, "Gustard" might have been pure sentimentalism. But Wright leads the whole process as a suspect of itself by setting it in a cultural context. For the native Hispanics, the land and built environment were just sacred space for the two tribes of deities who dwell in the mountain heights and valley depths. Although Wright does not draw undue attention to himself, his presence is palpable in "Gustard" as he surveys it among the crowd at the bullfight. Similarly, in "Going to the Sun," he rides across and perhaps not quite crosses the divide between a crowd of native Indians in Coconino County and against an impenetrable land he would want to be. It is the kind of moment that signifies of lesser literature alone: when the writer strays vulnerably into unknown territory. The best writers learn to navigate these selves, to stabilize across their full applications of style, to reveal their knowledge of the impossible and the possible.

Wright achieves such a moment in "Outback," his evocation of the wild Australian interior. The essay wonderfully captures up the clutter and noise that the briefing, introverted Australians have brought to frontier towns such as Alice Springs. But when Wright dashes Ayres Rock, the great, looming outcrop that is sacred to the Aborigines. As he climbs higher, he seems to shed the superficialities of civilization and strip down to something more essential, somehow attuned to wind and rain.

Several times in *Never and Again* do we come near that level of synthesis. Perhaps all of a moment's sense of ecology, Wright sometimes keeps himself too far from his story—details such as "Beyond Words," his account of the missing native languages of the Yukon, lack a strong current. Though informative, they cannot meet the expectations raised by Wright's more dramatic topical pieces. Fortunately there are enough of the latter to make *Flow and Again* memorable. When Ronald Wright writes values, mostly of what he has seen and done, he shows what distinguishes a mere tourist from a natural traveler.

JOHN HENNINGSEN

## PEOPLE

Why? Because  
we like you

The songs are hardly tearjerkers—Lena Cho-Chi and *Shikine Renshi* Party among them. But when Annette Panicle's first band Annette, the new Disney record of 47 of her hit tunes from the 1960s and 1980s her "eyes welled up with tears—it was like poster day." Those emotions are understandable: From her four years—beginning in 1955—on a Miami letter on *The Mickey Mouse Club* to the disco appetite *Frankie Avalon* is a string of early 1960s beach movies, Annette Panicle perspired through America At 54, and although she admits is mourning "the Mary Po-



Allen: trading the pashas for the peo

## The stuff of victory

**D**amon Allen must be starting to believe in Jesus again. Under the quarterback's scrutiny at bowl, the CEP's Education Eskimos joined another season with eight straight victories under a coach that celebrated last week in their 30-23 romp over the Whipple State Bonerz in what was the Grey Cup in Calgary. For his efforts (226 passing yards, 11 touchdowns, 10 completions), Allen received another valuable player honor, the CEP's MVP. Allen will be trading in the pagers for the pail—a baseball bat—in February, the California State University educator plans to attend training camp for the Pittsburgh Pirates, who signed him as a free-agent pitcher last June. The odds of the 36-year-old making it as a baseball are certainly long, but he's had lucky breaks in sports before—during a 1990-91 season in which he worked for the company that organized events between America and the Soviet Union, he was paid to be a baseball coach, but he had nothing going for him: poor fielding. According to *Pittsburgh Courier*, his fielding catches 90 out of 100.



*Further, I would never consider*

[illegible]

Australian  
crawl

**C**all it a well-deserved break. Since the 1992 Barcelona Summer Games, Olympic gold-medal water Mark Tewksbury has been co-ordinating the country group motivational speeches and writing a companion book, *Masters of Excellence*. After 136 speaking engagements and a book tour, the 29-year-old swimmer admitted he was out of gas. "I was too much for one period to do," said Tewksbury, who left Calgary earlier this week to begin a two-week holiday in Australia. "But I want to be superhuman. I was the guy who spent 10 training for the Olympics—I was supposed to get tired." The sensation, Tewksbury said, will give him time out to decide what



*Taxidlovanie. A monografia na den samostalnoy tvorby*

de with the rest of his life. He expects to return to school at some point, but otherwise his options are open—even to future speaking dates. "I'm getting off the circuit," he added, "but I haven't quit entirely."

## Exit a popular roval

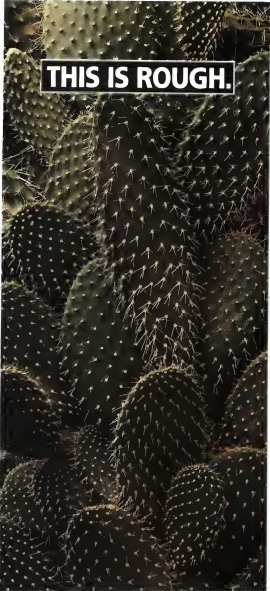
**E**nough is enough, even for Diana, Princess of Wales, hardly the world's most censorious monarch. Last week, as the wake of her row last month with the British press over the publication of secretly taken pictures of her working out in an exercise club, she announced frostily that she was withdrawing from the public limelight to spend more time with her sons, William, 11, and Harry, 3. Diana, who has devoted as much energy as any member of the Royal Family to public duties, was reportedly moved by the *Times* Sunday magazine's "Don't Cry Us, We Will Have Lost You," screamed the tabloid *Daily Star*'s headline. Expressing sympathy, the *Daily Mirror* declared: "We promise to respect your privacy." It would be a first.

*Design: qualitative, space focus for two data sources*










**THIS IS ROUGH.**



**THIS ISN'T.**

DELUXE  
**BLACK  
VELVET**

*Canadian Whisky  
Whisky canadien*

*Selected, aged, and Blended under  
supervision of the Canadian Government*

*40% alc/vol (80 proof)  
© 1995*

*Black Velvet is made the way whisky was meant  
to be made. Blended prior to the aging process to ensure  
its smoothness. It takes a little more effort,  
but we're sure you'll agree it's worth it.*

**BLACK VELVET. THE SMOOTH ONE.**